labour gazette
november 1974

U.K. Labor cla... inflation at 8.2...

By DAVID MACDONALD
The Star's London Bureau

LONDON — Most British housewives will probably agree with the Tory who charged last night that Labor Chancellor Denis Healey was talking "moonshine" when he said the cost of inflation rate is ...

...was the high ...official start of ...tish election cam... today. The election ...place Oct. 10...

Healey ... and Liberals ... lie in their ... saying Britain's ... running at an ann... 20 per cent.

Robert Carr ... dubb... rate ...

"moon... ...ag...

try's non-oil def... balance of pa... been halved.

Healey explaine... oil deficit include... of oil at last S... prices but exclu... fect of the incre... prices. This defici... running at $5.4 bi... first quarter of 197...

"In the second ... was running at ... rate of $3.2 billion. ... June to August wa... at an annual rate ... billion," Healey sai...

The extra oil bi... faced in 1974 was ... lion.

The money sup... was ... its par... ing ...

...eas... ...ply ove... ...s a whole ... at under ... of last year. ...me relaxation h... permitted in recent ... to help company ... is still ...

unhappy with increas...

Unions

Continued from Page M

...e Quebec government allows anyone, ... anywhere ... how to operate in the ... industry. ...

...erta gas is being boosted to ... cents from 45 cents per ... cubic feet, a move that ... put the price of gas in ...ge Toronto market to ... 80 and 90 cents.

...much more ...ent, gas sells ...

The U.S. ... Treasury ... Sim...

...na- ...ely ...

...rnald ...ulted ...s to ...in-

...ght to strike u...

— Cana... ...kers should ... to form un... ...rike, officials ... farmers' or... ...d yesterday. ... vice-presi... ... Farm...

"Everybody has the right ... collective bargaining," Miller said. "It is discrimi... ...m workers ... they ... the pro... need ...

...k that ...uld amend ...rds legislation to ...rm workers. At ...id, only ...

...workers ... the prov... ...ons act ... ...s betwe... ...nions. O... who try ...e pro... ...ding ... ...to ... ...cdona... ...diorat...

...farm ... Stat... why ...

...ld jo...

...ould en...

violence

unions s...

...e jo... predicted

By JOHN WILDGUST

QUEBEC—Two rival labor organizations s... be a major step toward ending violence in ... industry.

But the Quebec Federation of Labor (QFL) ... National Trade Unions (CNTU), in testimo... ... unions could be pro... secuted under long-standing laws banning conspiracies to restrain trade, a provincial labor department official said.

No significa... ...policy changes have b... ...in preparing the forecast ...port said.

Smith described the Conference Board as a private, non-profit organization supported by about 500 Canadian organizations — corporations, government departments and a gen...

...tinue rising sharply until quarter of 1975, and then ...crease at a much slower pace.

It sees interest rates on co... ...cial paper peaking in the fourth ...ter of 1974 at about 12 per cen... ...then declining gradually to about nine per cent by the last quarter of 1975.

...unary ... scale re... ...t says, ...st inevita... ...the slo...

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the labour gazette

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Labour Canada Travail Canada

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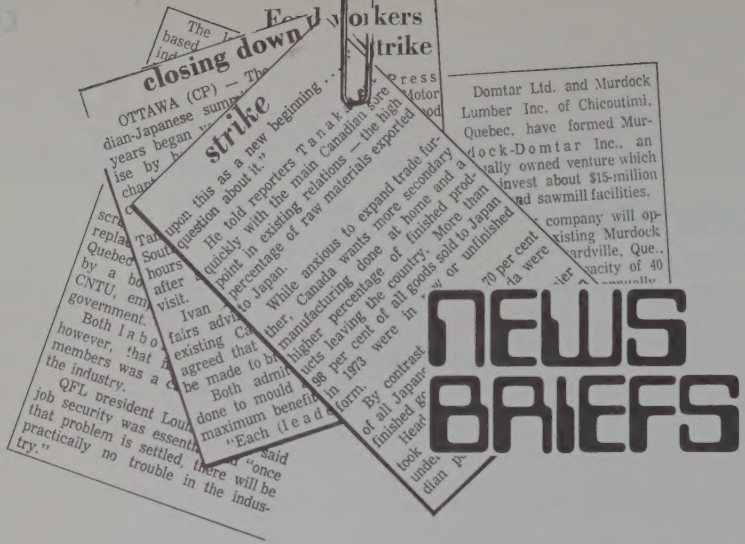

CMCS Powers Grow

The Canada Manpower Consultative Service (CMCS) will now provide increased federal assistance to employers and workers, Robert Andras, Minister of Manpower and Immigration, announced in August. CMCS will be able to authorize payment for up to 100 per cent of the costs for manpower planning needs incurred during industrial expansion or for worker adjustment problems during slowdowns caused by social or economic pressures. Previously, payment could be provided only for up to 50 per cent of the costs incurred.

The CMCS administers the Canada Manpower Adjustment Program, which began in 1963 while the Service was part of the Department of Labour. It provides a means of bringing together management and labour unions at the plant or industry level to plan for suitable adjustment of workers affected by technological or other change. As a result of the wider terms of reference, the CMCS will now be able to study such aspects of labour as job satisfaction, job enrichment, job barriers, and problems of the work environment.

Salary Comparisons

Salaries for Canadian clerical workers average $128 a week, only $3 below their American counterparts, according to a survey by the Administrative Management Society of Pennsylvania. Last year the Canadian salaries rose 16.4 per cent to the February 1974 average of $128; salaries for American clerical employees, subject to wage and price guidelines, rose 6.5 per cent to an average of $131 a week.

Office salaries in Canada (Montreal, Toronto, and St. John's were purposely omitted from the survey) ranged from $90 for a mail clerk to $160 for an accounting clerk $155 for a secretary to a high-level executive. Data processing personnel received an average of $166 last year, an increase of $27 a week, or 19.4 per cent. Telephone switchboard operators' wages rose an average 10 per cent, to $111; they were more fortunate than bookkeeping machine operators, whose salaries increased only 3.7 per cent, to $113.

Most companies in the United States – 64 per cent – required their employees to work 40 hours a week, compared with only 5.3 per cent of companies in Canada; more than 90 per cent of companies in Canada required workers to work 37.5 hours or less a week.

Law and Working Women

The Women's Bureau of the Canada Department of Labour has just released a new publication entitled "The Law Relating to Working Women."

Designed to serve as a reference document for a wide variety of legislation affecting women workers, the publication deals with both federal and provincial legislation and in each instance provides the name and address of the administering authority.

"The Law Relating to Working Women" includes information under such headings as discrimination in employment on grounds of sex, equal pay for work of equal value, maternity leave and benefits, hours of work including limitations on night work, legislation prohibiting the employment of women underground, and other legislation affecting the conditions of employment of women.

The publication also outlines a number of international conventions on similar subjects.

Workweek Studied

The standard workweek for non-office employees in Canadian manufacturing industries has changed little since the 1950s, according to a Federal Department of Labour study called Trends in Working Time.

The study reports that, despite widespread speculation about a decline in the work ethic and predictions about more leisure time in the future, the 40-hour workweek has been the norm for a number of years. Reasons offered include the high priority employees place on income (they would

rather make more money than work shorter hours) and the fact that employees are enjoying more paid absence from work in forms other than reduced hours of work — vacation benefits, paid holidays, paid time off for personal reasons.

According to the study, the 40-hour workweek is not expected to remain constant indefinitely. For example, the recent interest in the compressed workweek and flexible working hours will, in the long run, reinforce the downward trend in the number of hours of work.

Copies of the study report may be obtained by writing to the Economics and Research Branch, Canada Department of Labour, 340 Laurier Avenue West, Ottawa, Ontario K1A OJ2.

IR Appointment

Dr. Laurence A. Kelly has been appointed Acting Director of the Queen's University Industrial Relations Centre from August 1974 to August 1975. Dr. Kelly, Assistant Director of the Centre, replaces Director Dr. W. Donald Wood, who will be on sabbatical leave in England during that time.

Toronto Transit

Labour expert Senator Carl Goldenberg is arbitrating the outstanding issues in the recent 23-day Toronto transit strike. The transit walkout, Toronto's first in 23 years, ended September 4 when 5,700 transit employees returned to work after striking on August 12, and staying off the job four days after the Ontario Government passed a law ordering them to return to work. On strike at the same time were drivers for Gray Coach Lines, a wholly-owned subsidiary of the Toronto Transit Commission that has exclusive license to serve hundreds of communities over the Highway 11, Toronto to North Bay route.

The walkout began when negotiations foundered between Division 113 of the Amalgamated Transit Union and the TTC. Contentious issues among the 142 union demands included wages, a cost of living formula, scheduling and split shifts, premiums for weekend work, and the use of part-time and temporary drivers for rush-hour duties. A provincial mediator had been working on the dispute before the strike began.

The strike was into its 19th day when Ontario Premier William Davis — citing the public needs as being more important than union or management interests — summoned the provincial Legislature into special session on August 29. It was the first time the Legislature had been called into special session to deal with a single issue and one of the few times it has been asked to terminate a strike by ordering workers back to their jobs. A back-to-work bill was passed in the early hours of the following day. The bill called for the workers to return to their jobs, with outstanding issues to be decided by a Government-appointed arbitrator. The legislation also provided for a 12 per cent wage increase retroactive to July 1 (the day after the previous contract expired) to be awarded to the workers. Penalties for non-compliance with the law included individual fines of $1,000 a day and company or union fines of $10,000 a day.

At a meeting of transit workers following the bill's passage, a majority of the union members rejected by voice vote a return to work, but they reversed their stand when a secret vote was taken three days later; in the secret ballot, the workers voted 78 per cent in favor of returning to work.

The transit strike forced more than 600,000 Toronto commuters to find alternate means of transportation, affected the Canadian National Exhibition and the opening of the new Metropolitan Toronto Zoo, isolated hundreds of communities served by

Photothèque

Gray Coach Lines, and cost Toronto commercial enterprises an estimated $50 million in lost revenue.

Award Winner

Ed Cosgrove, the one-man editorial staff of *Labour Review*, the bimonthly publication of the Ontario Federation of Labour, was awarded one of the top awards in the International Labor Press Association annual competition last August.

For the third time since 1959, the *Review* won the top award for general excellence in both content and makeup in the competition for central body publications. Cosgrove, also the OFL Public Relations Director, is the Review's reporter, editor and photographer; he also received an honourable mention for feature writing in the same contest.

The ILPA contest is open to all AFL-CIO/CLC labour publications in Canada and the United States.

Course Directory

The Economics and Research Branch of the Canada Department of Labour has published a new "Labour and Industrial Relations Course Directory."

The directory, one of a number of research projects produced in consultation with representatives of unions and management, offers a comprehensive guide to the multitude of courses and programs on labour and industrial relations offered by Canadian universities and colleges.

The directory has been organized into three main sections: courses oriented to management, courses of interest to labour, and courses related to both. It is available from the Economics and Research Branch in Ottawa.

Pension Funds

Although more than 23 million Americans rely on private pension plan dollars to help provide a comfortable standard of living after they retire, many of them have had no real assurance that they would ever see a cent of the money. Now, they will be protected by federal legislation designed to ensure that employees collect the benefits to which they are entitled.

Since private pension plans were established about 100 years ago, inequities have been common, reports *Time* magazine. "Some workers have discovered that after years of service to an employer, they had somehow failed to qualify for benefits. Others found that changing jobs or being put on layoff could deprive them of their benefits. The disappearance of a company through collapse or merger, or the bankruptcy of its pension fund because of inept or corrupt management...could leave veteran workers with little retirement income or none."

The new Employee Benefit Security Act will create a Pension Benefit Guaranty Corporation to insure pensions. With only a few exceptions, an employer who sets up a pension plan must buy insurance from the PBGC. If a company or its pension fund collapse, the federal agency can pay up to $750 a month to workers who were vested (had acquired pension rights that could not be forfeited if they left the company). The new legislation requires that employees be fully vested after 10 or 15 years of service. In addition, says *Time*, employers must make specified minimum annual contributions to the fund, give the Secretary of Labor an annual audit certified by an independent accountant, and follow new rules aimed at ensuring honest management.

"But the law does not go far enough to please many advocates of pension reform," *Time* notes. "No employer would be required to set up a pension plan. Many blue-collar workers take their jobs at 16 but would not have to be included in pension plans until they are 25 (although they must then be given credit for three years' vesting)." Karen W. Ferguson, a Washington lawyer, complains that not requiring full vesting for 10 or 15 years is unfair, given the high mobility of the U.S. labor force. She is quoted as saying: "An employee fortunate enough to stay under a single pension plan throughout his work life will always be better off than his fellow worker who changes jobs." The bill has also been criticized for allowing employers to choose the vesting plan that costs the least and provides the least protection to the employee.

Workers' Rights

The Commission of the European Economic Community has recommended to the Council of Ministers that legislation of EEC member states be harmonized, in order to protect workers' rights and interests in the event of mergers, takeovers or amalgamations.

Mergers and takeovers have been frequent in the EEC during the last few years. The number of mergers between enterprises in the six original member states rose from 173 in 1962 to 612 in 1970. Many of these mergers have had far-reaching effects on the employees involved.

The Commission's recommendations are intended to ensure that employees will not forfeit essential rights and interests acquired prior to a change of employer. This objective would be achieved through automatic transfer of the employment relationship from the old to the new employer; protection of employees against dismissal due solely to a structural change in the enterprise; and consultation and negotiations regarding employees' interests. Unresolved issues would be subject to binding arbitration.

Paid to Quit

West German auto maker Opel, a subsidiary of General Motors, is reportedly offering its employees bonuses ranging from $2,200 to $4,000 if they quit their jobs. A company spokesman reportedly said that the plan was prompted by the success of a pay-for-quitting incentive plan used by Volkswagen, Germany's largest automaker. Both Opel and Volkswagen have reported serious sales declines this year. Volkswagen offered bonuses of $2,000 to $3,600 to workers who voluntarily resigned in June, and a spokesman said there were almost 3,500 takers.

New Job Program

The U.S. Government has launched a new drive to create jobs where unemployment is high. It is pumping more than $600 million into state and local programs to hire public service workers. The federal money is being used to pay 95,000 trainees in jobs ranging from librarian to truck driver. These people, many of them welfare recipients, will be put in what are described as "interim" jobs with the hope that many will move, eventually, onto regular public-service payrolls supported by local taxpayers. Among the criteria for the public service employment drive: (1) people must have been unemployed for at least one month, or

underemployed; (2) those taken on as trainees are to receive the same pay as regular public employees and to enjoy the same fringe benefits and working conditions; (3) veterans and welfare recipients are to be given special consideration in hiring; (4) jobs can be in any public agency — schools, hospitals, libraries, parks, police and fire departments; (5) the number of jobs in each area is keyed to the level of unemployment. Hiring will be restricted to areas of substantial unemployment, places where at least 6.5 per cent of the labour force is out of work.

EEOC in Action

The U.S. Government's increasingly hard line against job discrimination is persuading more and more companies to treat all workers equally, regardless of race, sex or age. Firms that don't measure up face the threat of big damage suits. The Equal Employment Opportunity Commission is exercising its broad new enforcement powers, and the result has been a number of multimillion-dollar settlements with major companies, and, in one instance, with an entire industry (LG, July, p. 1461). Unions as well as companies have been the subject of anti-discrimination actions.

Created under the Civil Rights Act of 1964, EEOC had little real power during its first seven years. Although it could investigate charges of job discrimination, the threat of adverse publicity was its only weapon against employers who did not comply with the law. That changed when the 1972 Equal Employment Opportunity Act gave the Commission the power to sue employers if conciliation efforts failed. The Commission's scope was also broadened to cover firms with 15 or more employees instead of those with 25 or more. The Commission now has authority over an estimated 66 million workers — 75 per cent of the U.S. workforce.

The more active role of the EEOC became apparent a year ago, some time after it won a landmark settlement from American Telephone and Telegraph Company, the country's largest employer of women. AT & T agreed to pay $15 million in back pay and $35 million in raises to women and members of minority groups. Encouraged by this settlement, the EEOC announced that it would focus on such major targets as General Motors, Ford, General Electric and Sears, Roebuck, as well as the United Auto Workers, United Electrical Workers and other large unions. Many of these suits are pending.

Earlier this year, the Commission leveled an industry-wide suit against major steel companies and the United Steelworkers. Charged with sex and racial discrimination, they agreed to distribute $30.9 million in back pay to the victims. The agreement also called for goals and timetables for putting more women into production jobs and more black and Spanish-surnamed workers into craft, clerical and supervisory positions.

In other recent settlements, the Georgia Power Company agreed to pay $1.2 million in back wages and other compensation to 500 black employees, B.F. Goodrich promised to add 260 women in management positions by 1979, and El Paso Natural Gas agreed to hire more women and minority-group workers in its offices throughout the Southwest. This agreement included salary increases and back pay for 140 women and members of racial minorities.

A sharp rise in complaints, to an estimated 55,000 during the year that ended June 30, 1974, has put a severe strain on the facilities of the EEOC. As a result, its backlog of unsettled cases has soared to 90,000. Commission officials agree that the backlog is a persistent problem despite an increase in staff from 35 three years ago to the present 300, and a doubling of EEOC's budget from $23 million to $43 million. They hope that broad-based lawsuits, such as that against the steel industry, will pave the way for settlement of large numbers of individual complaints on a group basis.

Complaints about discrimination because of age and cases involving the handicapped and veterans are handled by the Labor Department. But proposals have been made to transfer these functions to the EEOC in order to concentrate all equal-employment functions under one roof. EEOC officials, however, are cool to any expansion of their agency's functions until the case backlog and other problems are cleared up.

ILO Official Dead

Yujiro Ohno, an Assistant Director-General of the International Labour Office for the past four years, died in Geneva on September 7 at the age of 54. Ohno was special assistant to the Japanese Minister of Labour before coming to Geneva in 1970 to take charge of the ILO's Social Institutions Department, which is concerned with building the organizational framework within which public authorities, employers and workers can collaborate for economic and social development. Earlier this year he had undertaken two new tasks, the supervision of the ILO's wide-ranging publishing activities, and the chairmanship of a special committee reviewing ILO personnel questions.

Boyle Sentenced

W.A. (Tony) Boyle, former president of the United Mine Workers of America, has been sentenced to life imprisonment for his part in the murder of Joseph Yablonski, his wife and daughter. Yablonski had tried, unsuccessfully, to defeat Boyle as president of the UMW in 1970. (LG March 1970, p. 181).

Feedback

Out to Work

In the July 1974 issue of *The Labour Gazette* on pp. 492-493 there is an article on a recent speech on managerial effectiveness in the 1980s by William Reddin, President of W. J. Reddin and Associates of Fredericton, New Brunswick.

He said, and I quote, "....that future office employees will work at home rather than in office buildings. Managers, administrative workers and clerks will go to a special room in their homes, energize a 'facsimile' machine, the computer terminal, the teletypewriter and the closed-circuit television, and begin working."

What nonsense this is. Most men and women in the work force are glad to get out of the house and go to work. How many men whose wives are working have said to me that their wives took a job to get out of the house. In fact, when they come home at night they appreciate their home that much more. Are we to understand that men and women in the future work force are to spend all their time in an office in the basement?

I can't help thinking that many of the problems in our society today are caused by so-called experts who appear to be living in a world of their own. It makes me think of the people that say that everyone must have a job which is a meaningful job, which usually means to be a junior executive or social worker. So that in the end, nobody wants to do the thousands of boring and monotonous jobs which literally keep our society running.

John L. Pickett,
President, the Liberal Party
in Alberta,
Edmonton, Alta.

Inherently Conflictive

I have closely followed the series of articles in the Gazette concerning industrial conflict and alternative dispute settlement procedures ("Arbitration in Essential Industries," LG April, May, July, September 1974). It is my judgment that most of the proposals that have been put forth are unlikely to be very effective. The reason for this is, I believe, that our system of industrial relations is inherently conflictive. A substantial amount of conflict is to be expected because of inter-union and inter-employee competition and because of the high level of distrust and animosity which characterizes the relationship between management and labour. If I am correct, we should be publicly discussing the possibility of making major changes in the system rather than minor alterations to it. This option, however, is not at prese being seriously debated.

R.J. Adams,
Assistant Professor Industrial Relatio
McMaster University,
Hamilton, Ont.

An alternative to the adversary system

A PROPOSAL FOR LABOUR-MANAGEMENT PEACE IN THE PUBLIC SECTOR

Hon. John C. Munro, Federal

Hon. William S. King, British Columbia

Hon. Burt Hohol, Alberta

Hon. Gordon T. Snyder, Saskatchewan

Hon. A.R. Paulley, Manitoba

Hon. John P. MacBeth, Ontario

Hon. Jean Cournoyer, Québec

Hon. Rodman E. Logan, New Brunswick

Hon. Walter Fitzgerald, Nova Scotia

Hon. George Henderson, Prince Edward Island

Hon. Joseph Rousseau, Newfoundland

Dear Sirs:

As one of your number, the Honourable John C. Munro, commented recently: "It's a hell of a year to be Minister of Labour!" By the time 1974 ends, we will have set a new record for strikes, and man-days lost through work stoppages. And there's no relief in sight. Next year's crowded bargaining agenda threatens to produce a period of labour strife even more turbulent than the present one.

Lined up for contract negotiations in the coming months are more than 200,000 federal and provincial government employees, 100,000 railway workers, 125,000 construction workers, 52,000 paper mill employees, 38,000 miners and steelworkers, 35,000 postal workers, 27,000 textile workers, 20,000 longshoremen, 10,000 airline mechanics and flight attendants, and hundreds of other smaller groups. Altogether, about 1,000,000 workers will be seeking new agreements before the end of 1975 - and they'll be looking for annual wage boosts at least as high as the current average of just under 13 per cent being won in major 1974 settlements.

The main stimulus for the unions' rising expectations is, of course, the rapid pace of inflation. But, even if living costs level off soon, the unions next in line at the bargaining table will not be inclined to moderate their demands. Locked into two- and three-year contracts, they believe they're entitled to the same big catch-ups achieved by other unions.

Their ravenous bargaining appetites will be countered in many company boardrooms with a stiffening hold-the-line policy, making conflict and prolonged work stoppages inevitable. All the signs point to a year ahead that will be the most chaotic in Canadian labour relations history.

I'm not telling you anything you don't already know. You can see the thunderheads looming as well as I can, and you are no doubt bracing yourselves for the tempestuous confrontations to come.

You may be tempted simply to ride out these gathering storms, feeling there's nothing you can do at this stage to prevent them. And you may be right. In so far as the current wave of labour unrest is triggered by inflation, it cannot be expected to abate until after – perhaps long after – the cost of living regains some stability.

But, I think you may be unduly optimistic if you think that the militancy of Canadian workers will eventually subside if inflation is brought under control. There are disturbing indications that this will not happen. Inflation admittedly has been the catalyst that has turned so many traditionally timid groups – teachers, nurses, hospital workers, and public service employees – into bargaining belligerents. But, now that they have tasted the rewards of a more aggressive approach, they are not likely to revert to their former passivity. They will no longer be satisfied with the crumbs that fall from the bargaining table after the big, powerful unions have had their fill.

What I am suggesting, in short, is that the events of the past year are not a temporary phenomenon. We are witnessing a breakdown of organized labour's caste system. Until now, the internal union pecking order decided to a large extent how each group would fare in negotiations. The size of pay increases was regulated chiefly by size, power and industrial prestige, and only peripherally by skills and value of services. Now we see the pecking order being disarranged, as formerly docile organizations push and elbow their way to the forefront.

This new-found militancy is contagious. It has touched off a scramble, as all segments of the workforce try to re-establish their place in the lineup. "Catch-up" has come to mean not just a catch-up with the cost of living, but with other unions as well. A process of inter-union leapfrogging that is linked with inflation only as a convenience has been set in motion; and once set in motion, this process may well continue – regardless of the movement of prices and profits.

The resulting escalation of labour strife has made unions the target for mounting criticism in the press, but it is fatuous to blame the unions for this development. They are only doing what comes naturally in a jungle – and that, I'm sure you'll agree, is what our labour relations system is. There are no standards, no guidelines, no mechanism for setting fair wage levels, or even for defining what a "fair" wage is. There is no rational, equitable method of distributing labour's share of the national income. The unions are thus left to grab as big a share as each of them can, using muscle in the absence of objective criteria by which to judge the worth of their members' work.

The various federal and provincial labour codes that you administer were designed to inject some orderliness and civility into the affairs of labour and management. But these laws are all based on an acceptance – indeed, a blatant encouragement – of the adversary system. They assume that the relationship between unions and employers must necessarily be that of antagonists. All that the laws attempt to do is to confine the most destructive consequences of that hostility within certain time limits, and to minimize their impact on the economy and the general public. In recent years, our labour laws haven't even been accomplishing those limited aims. Wildcat strikes have been proliferating, and the effects on the public when essential services are involved have become increasingly serious.

The current strike epidemic caused by inflation is only the latest in a series of strains being exerted on the institution of collective bargaining. In the October issue of **The Labour Gazette** I discuss in detail some of the other sources of stress that have combined to threaten a breakdown of our entire system of labour relations. I trace the imminent collapse of the system to the adversary concept upon which all the laws, procedures and traditions that govern labour-management affairs in this country are based. The underlying assumption has been that the best way to resolve differences between unions and employers is through a trial by combat, and that the attendant disruptions are a small price to pay for bargaining freedom.

Trial by combat may have been an appropriate philosophy for the more simple and segregated socio-economic system of the past. It is no longer appropriate or tolerable as a dispute-resolving mechanism in today's complex, interdependent society – and especially not in the public sector, which now provides employment for more than half our workforce.

The pressures are mounting for more government intervention in the collective bargaining process to avert or curtail the interruptions of vital services that work stoppages so often entail. Because governments are not only the custodians of the public interest, but also the biggest employers in the country, their ability to play both roles with fairness and objectivity is open to question. I need hardly remind you that they are having more and more trouble reconciling their functions as employers, and as administrators of laws that sanction resorting to coercive tactics.

could expatiate at much greater length on the problems that now confront you and your governments in the labour relations field. But that should not be necessary. You are all too painfully aware of the problems. What you are looking for are solutions, and that is why I have taken the liberty of writing this letter. I have at least one constructive suggestion to offer. But before I get to it, I think it would be useful to look at the various options that are open to you.

The easiest and most tempting course is to do nothing other than react in an ad hoc way to each crisis as it occurs. That is, let the contending parties hammer away at each other; try to assist them to reach a voluntary agreement by providing skilled mediators and conciliators; and, if the worst happens, and unacceptable economic loss or public hardship ensues, enact emergency back-to-work legislation.

That is the policy now being followed by most Canadian governments. It has serious disadvantages. It allows considerable public inconvenience or economic damage to take place. It drags the legislative assemblies into industrial disputes, and converts them into impromptu labour courts. It encourages company and union negotiators to foist their responsibilities onto the legislature, not only to "get off the hook" and avoid difficult decisions, but also to extract government subsidies for better deals than they could negotiate freely between themselves.

In short, the present policy is building government intervention as a last resort into the labour relations system. And there is always the danger that some large group of workers will defy a government back-to-work order, which will thereupon be shown to be unenforceable. The jails can hold only so many workers.

Another option being urged upon you and your governments by labour illiterates, right-wingers and editorial writers is to enact prohibitions against strikes, and refer all disputes to binding arbitration. I need not embark on any lengthy rebuttal of such a regressive, unworkable proposal. You know, better than I do, that workers cannot be deprived of their sole bargaining weapon as long as the adversary system is maintained. They cannot be thrust out into the gladiatorial arena and left defenceless against their well-armed managerial opponents. They will resist any attempt to render them powerless, even to the point of defying anti-strike legislation.

Some of you, notably in Ontario and Québec, have already learned the hard way that you can't prevent work stoppages by waving your legislative wands. You may get away with it as long as the arbitration process you substitute for free bargaining produces minimally acceptable levels of wages and working conditions. But when it fails to do so, or when the ensuing discontent rises beyond the boiling point, the employees affected will resort to strikes — or alternatively to work slowdowns, mass resignations, and other disruptive tactics — whether they have the legal right or not.

The-law-and-order fanatics may decry such violations of the law, but the fact remains that, in a democracy, governments can govern only with the consent of the governed. Laws must be respected to be obeyed; and to be respected they must be just. It is not just to force people to work against their will, under terms they consider inadequate or unfair. Sooner or later, no matter how inherently lawabiding they may be, they will rebel.

What makes strike bans and compulsory arbitration unworkable in our existing labour relations framework is that they are incompatible with the adversary system. If you are going to base your labour codes on the premise that labour and management are enemies, and that they are therefore free to wage war against each other, you can't logically object when war breaks out. And you can't logically try to prevent war from breaking out by imposing a policy of unilateral disarmament on one of the parties.

You and your governments have thus backed yourselves into a corner. And the dilemma in which you now find yourselves was perfectly illustrated by the recent experience of the Government of British Columbia, which, after extending the right to strike to municipal firemen, had to rescind that right when some firemen tried to exercise it. The point is that, whether firemen and other essential workers have the legal right to strike or not, governments can't ignore the threat to public health and safety that the withdrawal of their services eventually creates. But the converse is also true: If such workers feel sufficiently aggrieved, they will strike as a last resort, regardless of the legality or illegality of their action.

It's elementary, I know, but what has to be kept in mind is that the strike is essentially an act of desperation. It is undertaken only when all other efforts to get a fair deal have failed. If it were possible to assure workers fair treatment by some other means, they would have no need to strike. Work stoppages, in other words, can best be prevented by making them unnecessary — not by making them illegal.

They could most effectively be made unnecessary by replacing the adversary system with a demonstrably fair and rational determination of wage and benefit levels for all groups of workers.

We can safely assume, I think, that this is still a hopelessly Utopian dream. It certainly could not be achieved outside

the broader context of a fully planned and controlled economy. It would be futile to try to convert the labour-management sector into a model of co-operative harmony, while the virtues of unfettered competition were still being trumpeted — if not faithfully practised — in the private enterprise system of which it is a part.

As you are all practical politicians, you can't afford the mistake of advocating idealistic reforms. You are stuck with private enterprise — even those of you who pride yourselves on being socialists — and you are therefore also stuck with the adversary system of labour relations in the realm of private enterprise.

But you do not have to be stuck with it in the public sector. You have ample scope for change and reform in labour-management relations in the federal, provincial and municipal governments, as well as in government agencies and Crown Corporations. And it is precisely in the public sector that most of your present troubles originate. You can still afford to tolerate most strikes against private companies, for they rarely cause grave public or economic crises. But you can't much longer suffer prolonged disputes that paralyze vital services.

It should be clear to all of us by now where we went wrong. We took a collective bargaining system that was based on the adversary concept and devised for corporations and their employees engaged in the production of goods and services for profit-making purposes, and we misapplied it to the public sector, where no profits exist to be fought over.

We thus encouraged governments and their employees to regard one another as adversaries. We forced public service unions to bargain — that is, fight — for adequate employment standards. We staffed our government treasury boards and the personnel departments of our Crown Corporations with hard-nosed negotiators hired from private corporations, and instructed them to keep salaries and benefits as low as they could. At the same time, we imposed restrictions on our employees' right to strike, on the sanctimonious grounds that strikes against the public could not be countenanced.

This was an attempt to give governments all the advantages of the adversary system, and their employees all the disadvantages. It was a formula for disastrous labour relations, destined ultimately to produce the widespread conflict and turmoil we are now witnessing.

The lesson your governments have learned, and learned the hard way, is that you can't embrace the adversary system and still hope to avoid the hostilities, the resentments, the low morale, and the occasional work stoppages that that system embodies. It just can't be done. If you agree with me that the adversary system is completely inappropriate as a method of conducting labour relations between governments and public service unions, then you had better give serious consideration to its replacement.

Essentially, that means giving your employees, voluntarily, the levels of remuneration and fringe benefits that they would otherwise have to fight and strike for under the adversary system. If you are not prepared to do that — and to allocate proportionately more of your tax revenues to finance such an enlightened approach — then you may as well stop reading this letter right now. Because, in that case, you have no alternative but to endure, on a steadily intensifying scale, the kind of labour-management trouble now plaguing you.

But let's assume that at least some of your governments are prepared to pay the price for labour peace — and I don't mean by that an excessive or extortionate price, but a reasonable price. How do you go about changing the present system? What is the first step you must take?

In my view, the first step is to set up some effective, impartial agency for determining what constitutes "fairness" and "adequacy" in pay and working conditions for public employees. I referred in the previous paragraph to a "reasonable price" for labour peace. But if neither governments nor their employees are sufficiently objective to define that term, or to set criteria for its definition, someone else must.

That leads to my proposal. I suggest that the federal Government and each of the 10 provincial governments establish, in their respective jurisdictions, a body that might tentatively be called a "Labour Peace Commission." The function of this agency would be to monitor working agreements in essential industries and services, and to propose equitable terms of settlement in each set of negotiations.

Some of you may be skeptical, and with good reason, about the efficacy of such a Commission. You have seen other government-appointed bodies produce little more than hot air, discrediting themselves through impractical theorizing or bureaucratic bumbling. You have seen others set up as a substitute for action, as a delaying device, rather than as a useful, functioning instrument. You may wonder how the kind of Commission I am proposing would differ from the federal Pay Research Bureau, which supplies statistics on employment standards for the Treasury Board and the unions representing federal Government employees.

To clear away these doubts, it is necessary to describe:

(1) the composition of the ideal Labour Peace Commission;

(2) its responsibilities; and

(3) the probable effects of its activities in averting bargaining breakdowns.

The selection of Commission members would be of crucial, make-or-break importance. The chairman should be the most skilled, experienced, respected person you can find — at the federal level, someone of the stature of, say, Senator H. Carl Goldenberg. Senator Goldenberg would be ideal for the job, not only because he has a long and distinguished record as a labour relations adjudicator, but also because he is equally renowned in labour, management and government circles. Any agency headed by him would have no difficulty establishing its impartiality and credibility.

It would not be necessary to have a large number of additional members. One each from the unions, the employers, and the government should suffice. They should also be men or women of the highest calibre, preferably open-minded and innovative, rather than doctrinaire adherents of the adversary system. All members should be appointed for long terms, or even for life, to free them from any suspicion of political influence. Salaries and benefits should be set at levels sufficient to attract and hold the best candidates.

The Commission should be adequately financed, supplied with a secretariat, and authorized to hire as many competent economists, statisticians and research specialists as its work might require.

With the help of such technicians, the Commission would gather, and continually update, all facts and figures bearing on employment standards in those industries and services defined as "essential." This information would cover job skills, comparative trends in private industry, and regional and provincial living costs — in short, all relevant data needed to analyze the working conditions and pay levels of all groups of essential workers, and to judge their fairness or adequacy.

The Commission's findings would be made available to both management and union representatives prior to the start of each set of negotiations. They would constitute the definitive statistics on which a voluntary settlement could be reached.

Despite all the factual material provided by the Commission, however, an impasse might still occur. In that event, the Commission would produce — and would have prepared in advance for such a contingency — a detailed list of proposed contract improvements on which a settlement could be based. The recommendations would not cover all issues in dispute, but would include the contentious cost items most likely to be the main obstacles to a voluntary agreement.

It should be emphasized at this point that the Commission's recommended terms of settlement would not be legally binding. Either the union or the employer would be free to reject them. But if the Commission were the objective, efficient, respected body one would intend it to be, its proposed terms would be demonstrably fair and adequate. The onus would be heavy upon any union or employer rejecting them to prove they were not fair or adequate. Assuming that the Commission had done its homework well, that would be a task beyond the ability of either party. A rejection without excuse or justification would expose the union or employer concerned to tremendous pressures, not the least of which would be the likely forfeit of public sympathy.

If the worst then happened and a work stoppage ensued, your governments might eventually have to intervene. But they would have two favourable conditions for intervention that do not exist under the present patchwork system. They would have a union or employer to deal with that was clearly being unreasonable and intransigent, and thus to blame for whatever treatment your government imposed. And they would have a ready-made basis of settlement, of proven merit, to incorporate into their dispute-ending legislation.

In practice, if the Labour Peace Commission were set up and equipped to function in the way I have outlined, defiance of its proposed settlement terms by unions would be rare. Rejections by employers might be more frequent, at least until they were convinced that your government-imposed settlements would be based on the Commission's recommendations. I would expect that both sides would soon see the futility of trying to ignore the Commission, and be guided by its findings at some stage of their negotiations.

Unions, after all, don't strike frivolously or from malice. They strike because they're driven to it in their quest for fair treatment and recompense. If the commission performs in the way I envisage, it will give the unions the basis for a fair deal, and thereby obviate the need for strike action.

It will also enable your governments to escape the conflict of interest currently encountered in their dual role as both employer and lawmaker. They will not be open to the charge — as they now are — that they abuse their constitutional power to force their employees to accept substandard pay and benefits. The determination of fair and reasonable standards by an impartial tribunal would greatly simplify your government's area of responsiblity. It will also probably entail a significant increase in your payroll costs, necessitating some reordering of budgetary priorities. But, as I said at the start, that's a price you must be prepared to pay if you decide to establish a Labour Peace Commission. Governments and their agencies must be willing to

become good employers, acquiescing freely in the added costs involved; otherwise, they would have no more reason to claim exemption from strikes and other labour troubles than do bad employers in the private sector.

I can't claim any originality in making the foregoing proposal. The idea of setting up such a Commission, as far as I can ascertain, was first put forward about 10 years ago by Leland Hazard of the Carnegie Institute of Technology. It aroused a brief stir among the labour relations community, but it has since sunk into oblivion. The chief reason it didn't catch on in the mid-1960s, in my view, is that there was no urgent need for it at that time. We were only beginning to enter the era of militant public service unionism, and strikes by essential workers were comparatively few.

Now that we are reaping the whirlwind of the adversary system in the public sector, the Labour Peace Commission concept is an idea whose time has come. During the past 15 years, I have studied countless proposed alternatives to jungle-law bargaining, and have found all but one of them unworkable. They have been variously too harsh, to permissive, too cumbersome, too ingenuous, too abstract. They have not taken into account all the complex economic, psychological, structural and political factors involved in the labour-management relationship.

I have reached the conclusion that there is no panacea for labour ills in a democratic society. The Labour Peace Commission is not being urged upon you as a magic cure-all. It will not eliminate all public sector strikes or interruptions of essential services. What it will do — or what it has the potential to do — is to reduce friction between unions and employers to a minimum, and to provide much-needed criteria for dispute settlements. In so doing, it will cut down greatly on the number of strikes and lockouts affecting indispensable goods and services. And that is perhaps the most we can hope for in any system that wishes to preserve basic rights and freedoms.

So please don't dismiss the idea of such a commission out of hand, without giving it careful thought. Weigh the pros and cons. Ask yourselves if you have heard any better suggestions lately. Consider your options, as I have tried to do. Then, if you are persuaded that the Labour Peace Commission proposal has merit, start the wheels moving in your departments and with your cabinet colleagues.

I sincerely hope that at least some of you will be interested enough in the idea to give it close study, and will decide in the not too distant future to act on it. Meanwhile, the next time you have to grapple with a strike or lockout that causes severe economic loss or public hardship, think of how much better off you would be if you had a Labour Peace Commission to head such disasters off at the impasse.

Yours sincerely,

Ed Finn

Ed Finn,
Public Relations Director,
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GOVERNMENT SPENDING: IS IT AS INFLATIONARY AS BUSINESS CLAIMS?

by JAMES RUSK

Cut government spending!

That's the slogan around which the business community is rallying in a search for a villain on whom to blame inflation. Speaker after speaker at businessmen's seminars, dinners and luncheons have gone to the podium to put the blame for inflation squarely on the shoulders of profligate politicians who spend money as if there were no tomorrow.

Take what the two top officials of the Bank of Montreal said within 10 days of each other in June. At a conference in Toronto, G. Arnold Hart, Chairman and Chief Executive Officer of the Bank, said: "The main source of our present difficulties is to be found in the public sector... For years we have been told, by those who espouse the economic theory that has had the dominant influence on government policies, that it is not the government spending that matters, as much as changes in the balance between their spending and revenues.

"However, it became evident to many of us some time ago that rapid increases in government spending over an extended period of time, in and of themselves, were inflationary in their impact on the economy."

What's worse, according to Hart, is that when the government has gone forward to battle inflation by turning the monetary screws down tight, it hasn't had the guts to turn them tight enough – not even in 1969 and early 1970. Here's what he had to say on the point: "You remember the credit stringency of 1966 and the mini-recession that followed? The monetary authorities slowed money supply growth down sharply as our current long inflationary period got underway – exactly the right textbook procedure.

"The trouble was, they began to expand again too soon, and at too great a rate. And so inflation did not subside; it came on again, stronger than ever. Once again, the authorities dug in. This time in 1969 and early 1970. But again, they gave up much before inflationary pressures were eased."

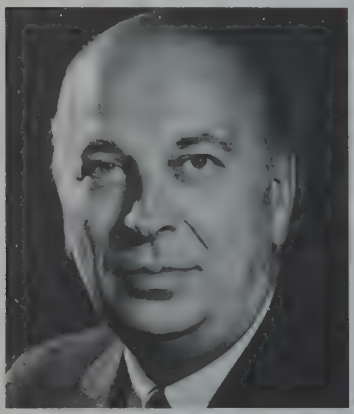
Or take what Bank President F. H. McNeil had to say at a convention near Montreal, a few days before Hart spoke in Toronto.

"In weighing Canada's economic prospects, we have to ask ourselves whether the political process is so deep that we will continue to deal in fantasy, in which government, the fairy godmother, promises effortless ease and affluence with a wave of the hand, while, behind a screen of oratory, picking our pockets and frustrating some semblance of economic reality."

And later: "The increase in government spending, it is alleged, results from public demand. The truth is that politicians, scrambling for votes, continually and fraudulently promise something for nothing, and cynically mislead the people."

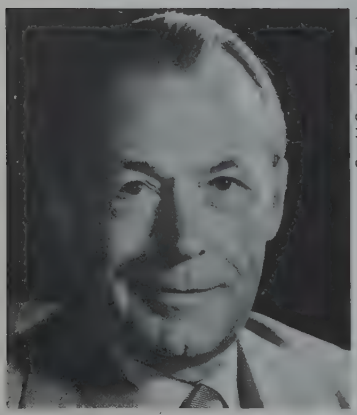
Apart from McNeil's using less moderate language than Hart, his message is about the same. The profligate politician is the wastrel of modern society. His activities must be curbed. And although what Hart and McNeil have to say probably goes over big with their business audience — telling 'em what they wanta hear is the most basic of public relations gimmicks — it should make most thoughtful Canadians a little uneasy.

For it's too simple, too easy. And, like most simple-minded approaches with a grain of truth at their base, it's devilishly hard to refute as the answer to the problem. The grain of truth at the base is that rapid rates of increases in government spending, financed through an easy stance on the part of monetary authorities, have added to demand pressures. And so they are part of the complex set of factors that cause inflation.



Gerald Campbell, Toronto

Hart



Gerald Campbell, Toronto

McNeil

But rapid rates of increase in consumer spending, financed through easy credit from chartered banks and other lenders, have also added to demand pressures. And what about commodity prices? Soaring prices for food and fuel triggered our massive inflation. How did high rates of increase in government spending cause $10-a-bushel soybeans and $11-a-barrel oil?

The soybean price jump was set off by a failure of the anchovy harvest in Peru, and the oil price rise by the success of the Arab oil sheiks. The worldwide shortages of food and fuel and other commodities have been real. Empty bellies and empty gas tanks attest to that. And only empty heads would fail to give the shortages a central place in the inflation tragedy.

And if government spending was the chief villain in inflation, then inflation rates in various countries ought to relate to government spending in various countries. But they don't! Britain and Japan have two of the highest rates of inflation in the world. But Britain's Government spends a much larger share of the national income than the Japanese Government. And in Sweden, where the Government spends an even greater share of national income than the British, the rate of inflation is lower.

The comparisons could go on and on. But no one could find a consistent relationship between inflation rates and government spending in the industrialized world. And the reason why they wouldn't find a consistent relationship is simple: Government spending is but one factor in the inflation scenario.

And so, why do businessmen like Hart and McNeil continually play their one-note song? Partly because it goes over great with their audience. It gets approval at the country club on weekends, or at whatever private club lunch is taken. And in club circles, if businessmen couldn't rail at the government, they would be left with only the weather to talk about.

But the more dangerous reason for speeches on the evils of government spending is that businessmen truly believe that government spending is evil. For, although they pay lip service to larger goals and objectives, in the final analysis, the logic of the profit and loss statement forces businessmen into a narrow view of society. In the eyes of businessmen, the best society is the one that provides the most goods and services to its citizens at the best prices.

It's an image of man as child, really. The more toys he has, the happier he'll be. And, like parents who can't understand the ingratitude of children who have everything

but still aren't happy, businessmen can't understand the ingratitude of North American workers, consumers and politicians who have all the goods and services business provides so efficiently and still want changes in the way our societies are run.

(Whether politicians have the same image of their public as children is another question, and one beyond the scope of this essay.)

Also implicit in the businessman's view of government spending is the idea that, somehow, a dollar spent in the private sector is more worthy than a dollar spent in the public sector. And so a dollar spent on cosmetics is more worthy than a dollar spent on health care. Or a dollar spent on a dune buggy is more worthy than a dollar spent on public transit.

Which, of course, is patent nonsense. And the businessmen who make speeches about government spending know it to be nonsense in their heart of hearts. For they seldom, if ever, come down to the nitty-gritty and suggest which government spending programs should be axed.

For if they get into that kettle of fish, they will find themselves in a political debate about society's goals, objectives and priorities. And, if they ever do get into a debate about society's goals, objectives and priorities, they are going to be even more shaken by the result than they are by the current state of affairs. For any thoughtful analysis of the situation can reach only one conclusion: Public sector spending is going to grow more rapidly than private sector spending.

And for the most basic of economic reasons: Most of the needs that are not being well met by our society can, for one reason or another, be well met only by the public sector. The private sector has done an excellent job of providing goods, and some services, to people.

The new needs that the private sector is moving to serve seem more and more the product of a manipulation of man's wants by advertising and marketing means.

The needs that the public sector is moving to serve are more basic: The need for liveable cities; the need for some sort of an equitable and humane way of dealing with the institutions of an increasingly depersonalized society; the need for the disadvantaged and the underprivileged to be better treated.

Which is more important? Investment in improved facilities for the mentally retarded, or investment in luxury hotels? Investment in legal services for the underprivileged, or investment in counselling services for the rich?

Those are economic questions. For economics is simply the science of resource allocation. Business must enter this debate. It fears to, today. It digs in its heels. "Cut government spending," it says. But its fears should be groundless. Public sector investment in education pays off in economic growth in our technological world. Investment in health care results in more productive workers.

The country with the highest level of public sector activity in the industrialized world — Sweden — has one of the healthiest business communities. The world moves on. We are three-quarters of the way through the 20th century. "Cut government spending" is the motto of those who would turn back the clock, rather than push it ahead.

Toronto journalist James Rusk writes for the Globe and Mail's "Report on Business."

COMPANY PROFITS: Myth and Reality

by WALTER R. LAWSON

Are profits too high? Few questions in recent times have aroused such strong feelings. In a time of severe inflation, this is perhaps not surprising, the hardpressed consumer being easy prey for those with a vested interest in promoting misunderstanding and misrepresentation.

It is, of course, undeniable that profits have been rising in terms of aggregate figures, just as the total incomes of ordinary individuals have been rising. The great difference is that as a percentage of the Gross National Product, wages and salaries are 10 times as big and important as profits. In fact, total after-tax profits in Canada last year amounted to no more than 8 per cent of the GNP. It follows that profits can, by no stretch of the imagination, be held accountable for inflation.

And yet the myth persists. It is a situation highly damaging to the fundamental ability of our economic system to continue providing us with one of the highest standards of living in the world.

Much damage has been caused — for political motives — by the repetitive association of profits with the deceptively simple, but catchy, term "rip-off." Thus, in the minds of a great number of uninformed people, "profit" and "rip-off" have become synonymous. The most frustrating aspect of this word-game for a businessman is that the answers to the facile accusations require complex and time-consuming explanations. By that time, of course, very few are listening.

I shall attempt in this article to show why good profits are necessary — and why they are far from being as "big" as many people believe them to be. Although there is some excellent in-depth reporting on profits by reputable financial columnists, economists, and business writers, their product is rarely seen or read by the public as a whole.

What does rate front-page treatment and the sensational headline is the bald report that "Profits jump 45 per cent" or whatever, with little, if any, reference to the volume of business, the capital employed, or the record over recent years. These three elements are, of course, the only meaningful points of reference.

Let me say candidly that business itself must bear some of the responsibility for this situation. Far too little attention has been paid by management to the need to produce annual reports that explain the company's earnings performance in terms that the public — and not merely the shareholders — can follow and understand. A few companies have always appreciated the importance of meeting this need, and recent indications suggest that more are now doing so. But it must be said that the great majority of companies have still to follow suit.

There is no such thing as "big profits" by themselves. The relevant questions are: Big in relation to what? What is causing the increase? How are profits being used? This article will seek to answer these and related questions, particularly as they affect manufacturing profits from the

standpoint of those whose primary responsibility, in the broad social sense, is to maintain the integrity of the wealth-generating enterprise on which our national employment levels and living standards depend.

Perspective

What always amazes me are the misconceptions people have about how large the absolute amounts of profits are, in relation to the total amount of income generated within the economy in one year. Surveys show that the average person believes the profits made by companies to be as high as 25 or 30 per cent of total sales. In fact, in the manufacturing sector, the average profit on each dollar of sales hit a low of three cents in 1970 and, in 1973, after three years of recovery, was still not quite back to its more normal five cents.

Here is a breakdown of the manufacturing sales dollar for 1973. A full 92 cents out of each dollar of sales income went to buy raw materials and components, and to pay wages and salaries and office and other overhead expenses, including employee benefits. At least three of the remaining eight cents were taken by government for payment of corporate income taxes. The remaining five cents out of the original dollar was all that was left to reward those who had invested their savings in manufacturing. But, wait a minute, the investor didn't even get this much, because at least half of the five cents was "retained" by the typical company for reinvestment in new plant and equipment.

Profit Cycles

Against this factual breakdown of the manufacturers' 1973 sales dollar, let us carry our analysis of profits a step further. Of cardinal importance is the fact that profits are highly volatile and cyclical. Whereas most people never think in terms of their income dropping or changing greatly, companies live with this situation constantly. Thus, as the table below shows, the profit or "income" left out of each dollar of sales after all expenses have been met is subject to considerable fluctuation, depending on market conditions.

Manufacturing Profits as a Percentage of Sales
1962–1973

Year	Percentage	Year	Percentage
1973	4.9	1967	3.8
1972	4.2	1966	4.6
1971	3.7	1965	4.9
1970	3.0	1964	5.2
1969	4.1	1963	4.9
1968	4.0	1962	4.4

This fluctuation is as it should be, for profit is a regulator of business activity, a measurement of efficiency, and a signal of the need (or otherwise) for additional investment and production. But it also underlines the importance of averaging out the good years and the bad years before any serious judgment can be made as to whether or not profits are "too high." Again, it should be noted in this context that manufacturing profits in 1973, the year of the so-called "rip-off," were just about back to the five-cents-on-the-dollar range achieved a decade earlier.

It is interesting that, in those years of similar or even higher margins (1964), there was virtually no inflation by today's standards. It is also worth noting, however, that then, as now, healthier profits resulted in a strong increase in new investment in plant and machinery.

Impact of Inflation

Rapid inflation has some serious — and misleading — effects on a company's reported financial situation. What is not generally realized is that the large dollar amounts of profits are, to a considerable extent, the result of rapid inflation, not the cause. With corporations, as with individuals, these larger amounts are urgently needed to offset the erosion effect of inflation. Again, however, the fact that profits account for only some 3 to 5 per cent of each dollar of sales emphasizes how small an influence they have on prices.

The rise from 3 per cent to 5 per cent in the average manufacturing profit margin — which has occurred over the last three years — represents a significant increase in the margin: 66 per cent. But the impact on each dollar of sales is no more than two percentage points — $2 on every $100 worth of goods sold — in this same three-year period. For the company and its shareholders, there are two little-understood areas of accounting that are particularly subject to troublesome distortion by inflation — namely, (1) the procedure for placing a value on assets; and (2) the procedure that provides for the recording of the value of inventories in a company's accounts. Let us consider the valuation of assets first.

Valuation of Assets

The essential problem here is that accepted and widely used accounting methods usually represent the value of all the assets of a company in terms of its value at the time of acquisition (that is, historical cost). As time passes, however, the cost to the company of replacing a particular asset, or an equivalent (buildings and machines, for example) invariably rises, reflecting the inflation that is a fact of our life and times. This is not necessarily a major concern

when the rate of inflation is relatively moderate and fairly stable at, say, 1 to 2 per cent a year.

In such an environment, the discrepancy between the original value of the asset and its current replacement cost is relatively small, and can be absorbed. But a serious problem develops when replacement costs increase as rapidly as they have done this past year or two — that is, at an annual rate of 10 per cent or more. Because the practice whereby a company allows for replacement of the asset when its useful life ends is based on the historical cost, it follows in such a situation that the amount provided for is wholly insufficient to finance the full replacement of the asset at current prices.

Now, because profit is a "residual" (that which is left over after depreciation is allowed for), the provision of inadequate depreciation means that there is an overstatement of profits. And the tax laws, it must be realized, specify very exactly the depreciation rules that can be used.

The overstated profits are, of course, subject to the full rate of tax, as well as to the natural pressure from shareholders for distribution as dividends. In fact, if the company is in the middle of a modernization program, as many companies now are, it will not have sufficient funds available to pay for its higher-cost investments, and will be forced to find the money elsewhere, or curtail expenditures. Given the state of financial markets in recent months, "finding the money elsewhere" is not always an easy task.

Inventory Valuation

The other major impact that severe and rapid inflation has on profits is in the area of inventory valuation. The system most commonly employed is "first-in, first-out" (FIFO). By this method, the costing procedure for the inventories used up in the production of goods is in the order of acquisition of the goods in the inventory. Thus, the early purchase cost of the inventory items is ascribed to the goods produced, and this is reflected in the sale price. In the meantime, however, the price of the items that must be purchased to replenish the inventories has risen.

Once more, to the extent that the cost of items in the inventory are understated in terms of the money needed to replace them, profits are overstated. Some of the funds ending up as "profits" should, in fact, be otherwise described and set aside. Again, however, profit dollars are fully taxed, regardless of how they are described or what category they are placed in, thus leaving the company short of funds. The faster the acceleration of prices, the greater the problem.

Perhaps the best statistical indication of the inventory problem can be seen from the broader National Accounts data, where an item called "inventory valuation adjustment" is computed so that it can be removed for calculation of Gross National Product precisely because it does not represent a true addition of wealth. This inflated value, of course, is a part of the profits component of GNP, and logically it should be subtracted from profits as reported, in order to arrive at an indication of the "true" underlying situation.

The following table shows the importance of this inventory effect in relation to profits since 1970, in respect of the whole private sector of the economy:

Canadian Economy — Private Sector

Year	Quarter	Corporation Profits before taxes	Inventory Valuation adjustment	Inventory Valuation adjustment as a percentage of profits
		($ millions)	($millions)	%
1970	I	1,872	- 114	6.1
	II	2,106	- 29	1.4
	III	1,872	+ 11	0.6(add)
	IV	1,849	- 63	3.4
1971	I	1,731	- 170	9.8
	II	2,266	- 188	8.3
	III	2,256	- 143	6.3
	IV	2,439	- 170	7.0
1972	I	2,304	- 356	15.5
	II	2,794	- 136	4.9
	III	2,499	- 205	8.2
	IV	2,925	- 303	16.4
1973	I	2,976	- 512	17.2
	II	3,624	- 587	16.2
	III	3,510	- 663	18.9
	IV	4,165	- 656	15.8
1974	I	4,090	- 859	21.0

Source: National Accounts

As can be seen, whereas the "inventory profit" element accounted for only a few percentage points in a year of stable prices (1970), by the first quarter of 1973 it had soared to record levels, reaching 21 per cent of the profit figure. Although this estimate is subject to all the limitations of the national accounts for the whole country, the problem is clearly vastly greater than anything companies have had to face in previous years.

Impact on Dividends

How do companies cope with the problem? They are forced to retain a greater proportion of net earnings, leaving that much less for distribution to shareholders.

The next table, "Total Manufacturing," shows that, in the manufacturing sector, the ratio of cash to dividends declared (paid out) to net income (profits) was lower last year than in any of the previous 11:

Total Manufacturing	
Year	Ratio of cash dividends declared to net income (percentage)
1973	34.7
1972	46.4
1971	45.8
1970	57.5
1969	39.6
1968	45.5
1967	51.4
1966	47.9
1965	44.2
1964	45.1
1963	51.8
1962	50.2

An important point to be made, of course, is that "profit" dollars are subject to the same general erosion of purchasing power as every other kind of dollar, and this erosion affects the dividends paid out of them to those who have invested in company stock. A further point not usually recognized is that a major proportion of dividends these days goes to pension funds whose earning performance affects the lives and retirement incomes of literally millions of Canadians.

As for individual Canadians who received dividends directly as income, fully 44 per cent of such dividends go to those who earn less than $15,000 a year. In other words, these individual Canadians are very much average citizens. (Source: *Taxation Statistics,* 1973 edition, Department of National Revenue.)

Return on Capital Employed

There are those who rightly point to "return on capital employed" as the most valid measurement of corporate earnings. Let us look at the record here.

The following table for the period 1962-73 gives a fundamental indication of profitability in terms of profits after taxes (both current and deferred tax liability) as a proportion of total capital employed, which is defined as "the sum of equity capital plus long-term debt."

Total Manufacturing	
Year	Net profit after taxes as a percentage of total capital employed (percentage)
1973	10.0
1972	7.5
1971	6.4
1970	5.0
1969	6.9
1968	6.7
1967	6.2
1966	7.2
1965	8.0
1964	8.1
1963	7.4
1962	6.5

The misleading aspect of this ratio, of course, is that its numerator is in current inflated dollars, whereas the denominator is a large aggregate, built up over a long period of time when prices were much lower. In other words, the ratio is inflated by the elements of "profits" in today's dollars described in previous paragraphs.

Thus, a net profit after taxes of 10 per cent on total capital employed — the 1973 figure for all manufacturing — reflects a level of inflation in the economy higher than anything known in earlier years. Accordingly, such a rate of return is less good than it looks, and certainly is not excessive or out of line when compared with similar periods of strong economic activity, such as the mid-1960s.

We do not have to look far for confirmation of this fact. The lack of interest in the stock market in recent months emphasizes in no uncertain manner that investors are very much aware of the different quality of profits. They are not deceived by headlines reporting big percentage increases. Nevertheless, it seems obvious that the recent healthier rate of return on capital employed is a major factor in the current strong upswing in new investment. This new investment is, in turn, vital to the maintenance and expansion of our capacity to cope with the tremendous growth in the needs of Canadians, now and in the future.

Towards a Solution

I have described the essential aspects of the current manufacturing profit picture as I see it. Undoubtedly, many misconceptions stem from the continuing use of traditional accounting methods that have served well in the past, but that now need re-thinking. Any accounting system must meet at least three tests: (1) its procedures must be generally accepted as sound in all respects; (2) it must be practical and feasible; and (3) it must provide the most relevant illumination on the performance of the enterprise.

The problem currently is that the third criterion is not being met by traditional practices. For good reasons that were acceptable in the past, the accounting profession handles the problem of value of assets by using historical costs. The advantage of this approach is that it is very practical; in particular, costs are easily measurable, whereas the alternative concept of current value is difficult to define. With accelerating inflation, however, some changes have to be made, even if only in terms of supplementary qualifications to the usual financial statement.

At stake here is a fundamental issue that goes deeper than the problem of accounting practice. We are today in a dangerous situation where, as a result of growing affluence, many people expect to receive income from an enterprise, a government, or indeed our whole economic system, without worrying about where it comes from, who really pays for it, or whether enough provision is being made for replenishment of both the capital consumed and the additions of new capital. The crucial responsibility for ensuring that this latter need is met rests squarely on the shoulders of management.

But management must also do much more in the future than it has ever done in the past to make Canadians as a whole understand that a company's real, after-tax income is what it has left after all necessary provisions have been made for replenishing the capital consumed and for coping with new demand. Changes in accounting practices of the kind indicated are needed to highlight the real situation of a company when the impact of inflation has been stripped away. The tax implications are also crucial.

I am not in a position here to detail any particular method of new accounting procedures. What is clear, however, is that, unless some concept of "replacement cost" is allowed for tax purposes, the tax structure will continue to effectively erode the capital of companies, and penalize in particular the capital-intensive industries by denying them the opportunity to base their depreciation on "replacement cost," or on some other more current and relevant measure of value.

The only companies not adversely affected by the present tax structure are those whose income flows are all in terms of the current year (service companies with no fixed assets, for example) where revenue, expenditures and taxes are all paid in terms of current dollars.

Part of the reason why traditional accounting procedures have not hitherto been challenged lies in the need to please shareholders, who naturally measure the success of a company by the size and trend of its profits. This was, and still is, a healthy enough attitude; it encourages management to seek out the needs of the marketplace, meet them imaginatively, and squeeze the maximum possible value out of the resources it utilizes. The resulting reward is investor approval, based on the improved value of the company's stock, and the prestige associated with a successful and growing company.

But times have changed. Profits offer a highly visible target, and are today being attacked from all sides. Governments are perceived as being more able to give people what they want, perhaps because there does not appear to be any limit to their resources, and no day of reckoning or bankruptcy for inefficiency. Whereas managements of large corporations once took pride in reporting improved profits, today they know that profits are likely to be misrepresented as anti-social gouging at the consumer's expense. Reflecting this attitude, public pressure is being translated into government legislation of all kinds, based on appropriation of profits for social programs.

Up to a point, this tendency can be justified, and it requires that management be more responsive to the needs of the society around it. But, as I have demonstrated, the underlying belief that profits are handsome enough to stand unlimited tax pressure is as fallacious as it is dangerous.

My caution to management is that, although accounting procedures need changing if we are to cope with the growing inflationary environment, the changes should not be pushed to a detrimental level because of general public pressure aimed at lowering so-called "box car" profit figures. This kind of pressure cannot be allowed to weaken the profit motive, the mainspring of the competitive sector of the economy.

The more crucial need is to promote a much greater understanding of the true nature and role of profit, as I have

tried to do in a very limited way in this article. In my view, our economy will be in deep trouble if we ever have to apologize for profits earned through efficiency, imagination and hard work. The simple truth is that, if we didn't have the profit incentive, we would have to invent something very similar, or face a reduced standard of living through inefficiency and poor allocation of resources.

From now on, the management of every company with an eye to the future must attach a high priority to ensuring that Canadians as a whole understand this.

Mr. Lawson, Vice-President and General Manager of Domtar Packaging, is the President of the Canadian Manufacturers' Association.

An Ounce of COLA is Worth a Pound of Erosion

by JOHN SCHREINER

This summer, arbitrator Owen Shime awarded the "ideal" cost of living adjustment clause in adjudicating the collective agreement covering the information officers employed by the Federal Government. This unique COLA clause ties the salaries involved directly to the consumer price index; salaries will rise at the same rate as the CPI. Most, possibly all, previous COLA clauses offer only partial compensation for CPI increases.

It can be only a question of time before other COLA clauses appear with 100 per cent protection against the CPI, given the Prairie-fire-like speed with which the COLA idea swept through Canadian labour relations this spring. The demand for COLA is a priority item among unions. It is also a demand that management has found difficult to resist this year.

The longer-term implications of COLA clauses on collective bargaining have yet to be thought through. Yet, as benign a panacea as COLA would appear, future problems can be foreseen. The sudden inflation caused by the Korean War gave COLA clauses their first brief popularity. It seemed then, as it does now, a good idea to peg wages, in part, to the CPI when living costs rise or threaten to rise more quickly than the incremental wage increases provided in the collective agreement. In the relative stability of the two decades after the Korean War, COLA clauses fell largely into disuse. Union negotiators believed, correctly, that they could win better wages through conventional bargaining.

In 1973, the CPI took off at a rate that left collective agreements behind. The pulp and paper unions in British Columbia, for example, negotiated a two-year agreement with 8 per cent increases in each year. By mid-1974, the CPI was running at an 11 per cent annual rate, and unions and industry reopened the contracts. The reopening resulted not only in wage adjustments, but also in the adoption of a COLA clause.

That is fairly typical of what has been happening this year. Collective bargaining has been characterized by demands for wage gains to "catch up" with living costs, and for COLA clauses to prevent falling behind once again.

Earlier this year, a federal Department of Labour survey of 2,400 collective agreements found 233 with COLA clauses. Peter Riggin, Vice-President for Corporate Relations with Noranda Mines, observed: "COLA clauses are being developed at a fast clip — much faster than the statistics would suggest, because the latter are not up to date. With the

inflation we have, not many agreements will be made with a term of more than a year or so without some COLA protection."

A quick look at some of the year's bargaining supports Riggin's contention. The International Woodworkers of America, pacesetters in B.C., negotiated several master agreements covering their members in lumbering and logging. Even though all agreements were for one year only, and included wage increases averaging about 12 per cent, the IWA managed to secure also an adequate COLA clause. These were possibly the first major one-year contracts with COLA, indicating the importance the union attached to this protective clause.

Elsewhere, the United Autoworkers has been signing agreements including COLA clauses with a number of automobile parts manufacturers. The UAW has perhaps more experience with COLA than other unions, having had such clauses for years in its contracts with the automobile producers.

Another indicator of the trend came from the Canada Labor Views newsletter in mid-May, which summarized settlements in what it called the "machinery sector" of manufacturing. Of the 20 settlements examined, 12 included COLA clauses. By contrast, a CLV summary last November of 25 settlements in the same sector showed only 8 with COLA.

The COLA trend has moved also from manufacturing to other sectors of the economy. Such clauses have been negotiated recently in agreements signed by the Saskatchewan and the British Columbia Hospitals Association, and by Air Canada for its sales departments. The demand was a central issue in the long construction strike this summer in B.C., where the tradesmen secured what amounts to COLA.

So far, the clauses are more likely to be found in contracts with larger employers. The federal Department of Labour found such clauses in only 9.5 per cent of the contracts surveyed, but these contracts included 20 per cent of all employees covered in the survey. This showed even more dramatically when the Canadian Steelworkers searched their contracts. They found 108 with COLA clauses — about 10 per cent of Steelworker contracts. But these were in contracts covering 60,560 persons, or 34.5 per cent of the union's Canadian members.

In general, Canadian management showed surprisingly little bargaining table resistance to the trend towards COLA. Indeed, companies appear to have given the trend a firm push by the widespread — and well-publicized — awarding of cost of living bonuses this year. The federal Public Service received $500 bonuses, and the Quebec Government gave its employees 5 per cent bonuses. Similar bonuses were given by General Motors of Canada, and there were unilateral wage reopeners by the steel industry. Metropolitan Life Insurance announced in June a special 10 per cent salary increase for 1,200 employees, noting that the raise was designed to offset inflation. From these and comparable examples it is evident that requests for COLA clauses are more likely to fall on sympathetic rather than hostile ears.

COLA clauses can have attractive advantages for management. Noranda's Riggin lists four. First, he says that these clauses "protect an employee's purchasing power, and thereby can be seen to be treating employees fairly — that is, improve employee relations." This is in harmony with the primary argument the trade unions have in seeking COLA clauses. For example, the non-operating railway unions this summer asked that their collective agreements be reopened for interim wage adjustments. "The effects of inflation over the past year have all but wiped out the wage increases provided...by parliamentary action and the arbitration of Mr. Justice Emmett Hall," union spokesman R.C. Smith said in his telegram to the employers. The Hall arbitration, released in January, estimated a 7.5 per cent inflation rate this year. But prices rose 6.5 per cent in the first six months alone, and union economists are looking for a 13.6 per cent price rise for the entire year.

Second, Riggin points out the COLA clauses increase the likelihood of obtaining longer-term agreements. Indeed, some union leaders earlier this year had been advising locals to sign agreements longer than one year, only if COLA clauses were included.

Third, he states that COLA might perhaps "minimize, even slightly" some wage-related costs such as overtime. COLA clauses generally apply to the basic wage rate only. This modest attraction, however, is likely to disappear as COLA clauses evolve in future bargaining. Unions can be relied on to press for COLA clauses that modify the entire collective agreement. The Steelworkers, at their Canadian policy conference this spring, adopted a policy statement on COLA that included this observation: "To be fully effective, a cost of living adjustment should apply to all wage calculations, including overtime, vacations, holiday premiums, etc."

Fourth, Riggin indicates that COLA "is simply another card to play in the bargaining game, and thereby is a tool to help obtain a settlement." How well are employers playing that card? So far, it seems, they have yet to develop a coherent strategy. A minority of employers this year have resisted COLA demands vigorously. The strikes at the Firestone and Goodyear tire plants in Ontario centre on a COLA demand, with the employers unwilling to give up a major cost item not faced by their counterparts in the U.S.

Most employers have given in to COLA demands without struggling for a quid pro quo. But, in future negotiations, it is likely they will try trading effective COLA clauses for wage increases tied rather more closely to productivity than has been the case in 1974. University of British Columbia economist Dr. John Helliwell, who believes COLA clauses ought to become more common, also argues: "In order that the prevalence of such adjustments will not lead to an even higher rate of inflation, it is essential that the income increases above and beyond the cost of living be very tightly bargained, and very reliably based on productivity increases...."

What is most evident is that COLA clauses have planted the seeds for more analytical bargaining. It will not be enough for the union to come to the table asking for catch-up wage increases; COLA will have been keeping up. The union local will require solid data on productivity, for it can count on management to peg some of its position on this base. The requirements will put an additional strain on union research departments.

COLA clauses will diminish living costs as a bargaining issue, but they can never neutralize them. The factor of rising expectations still remains. As the Canadian Steelworkers said in one policy statement this year: "An escalation formula can protect the purchasing power of wages. It cannot improve anyone's living standard; that is the function of regular wage increases."

Because some employers resisted COLA demands this year, the clauses must therefore include what managers see as disadvantages. The chief one is what Riggin calls "another unpredictable labour cost factor." That is why the construction industry in British Columbia fought COLA in a three-month strike earlier this year. COLA will handicap a contractor trying to estimate his costs when he is making a firm bid on a project. Of course, a prudent employer will negotiate a COLA clause designed to limit future surprises. A common feature is a "cap" limiting the total amount of the wage increase triggered by such a clause. Labour usually resists such caps.

A second pitfall is that COLA can generate some disparities between salaried employees and wage earners in the same company. This means that employers with COLA contracts will have to make comparable adjustments in the salaries of non-union personnel, both in fairness and to prevent discontent.

A third possibility is that COLA will become just another "add-on" to the payroll costs. Whether this happens will depend on how successfully managers negotiate quid pro quos.

The trade union movement itself is not completely enamoured of these new escalator clauses. A recent study by the British Columbia Federation of Labour cited three disadvantages:

(1) Employers are likely to fight against wage increases greater than the increase in the cost of living index;
(2) some local unions "lull themselvs into believing that the Consumer Price Index will do their negotiating for them....They become content with wage increases which merely match increases in living costs...;" and
(3) the Index — on which all COLA clauses are based — "does not reflect price changes in such items as real estate, interest on credit and debt, insurance premiums...."
Although that last point is not completely accurate (the CPI does have a housing component), it is true that the Index is not perfect.

Currently, nearly all unions have decided that the advantages of COLA outweigh the disadvantages. This is certain to remain so long as inflation continues to rage, and as long as it triggers COLA clauses into yielding worthwhile amounts of money.

There are extreme variations among the COLA clauses now being bargained into contracts. The Department of Labour study provides 10 examples of representative clauses. There is, for example, the open-ended clause: "The union shall have the right to negotiate increases in wages whenever the regional cost of living goes up five points or more during the life of this agreement." There are variations on this: in several instances, the Steelworkers this year have sought to write second-year, wage-reopener clauses into contracts.

By contrast, many COLA clauses have tight formulas that reduce everything to mathematics: "The company will provide a cost of living adjustment of one (1) cent per hour for each decimal four (.4) change in the Consumer Price Index adjusted quarterly.... Should the allowance not reach $0.13 per hour by February 1975, the company guarantees to pay a minimum of $0.13 per hour in cost of living allowance at that time."

In other contracts, the clauses may specify whether (or how) the COLA wage adjustment will be blended into basic wage rates. Unions generally seek to have it blended, because such items as pension contributions and overtime pay are calculated on the basic rate.

The British Columbia Federation of Labour's study included an example to illustrate the impact on wages of a good COLA clause. In this example, the base rate is taken to be $4.50 an hour. The escalator formula is one cent an hour each time the consumer price index rises 0.3 of a point.

The calculations are made quarterly. Had the formula been operating in 1973, the result would have looked like this:

The CPI rose from 143.3 in December 1972 to 145.7 in March 1973. This resulted in a quarterly wage adjustment of eight cents, yielding a new base rate of $4.58. By June, the CPI is 149.7, and 13 cents is added to the base wage. By September, it is 153.9, and the wage adjustment is 14 cents. And by year-end, the index reaches 156.4 for an eight-cent adjustment. The quarterly adjustments in the year would have totalled 43 cents, bringing the base wage to $4.93.

The formula employed in that example — one cent an hour for each 0.3-point change in the CPI — is the one that several union research departments believe reasonable at the current inflation rate. "Unions, however, may find that the best provision they can win from management is one cent for every 0.4-point increase in the CPI," the B.C. Federation of Labour study noted. The federal Department of Labour's survey found that 90 per cent of the COLA formulas it looked at were linked to ratios of from 0.4 to 0.5.

The COLA clauses being set up in current bargaining are unlikely to wither as quickly as they did after the Korean War. In part, this is because the current inflation is so internationally widespread that it will be long-lived. But COLA clauses also are a leading edge of that new economic idea called "indexing."

Indexing is a bookkeeping way of trying to neutralize inflation; the Federal Government, for example, has begun adjusting basic income tax deductions, recognizing the difference between real gains in income and inflationary gains. Indexing is well on the way to economic orthodoxy, with COLA clauses another and an important addition to the bandwagon.

John Schreiner is Western Editor for the Financial Post, and is based in Vancouver. He is a frequent commentator on labour and other subjects on CBC radio.

LABOUR'S DEMANDS: A GREATER VOICE, A FAIR SHARE

by GORDON McCAFFREY

At a recent conference Gordon McCaffrey aired his views on the future of labour-management relations. He sees strong unions becoming even more assertive and dissatisfied workers resorting increasingly to political action. McCaffrey explained:

First let's examine the prospects for closer co-operation between labour and management in the short term — in the next five or six years. This should be much easier than a long-term projection; later I will attempt to speculate on labour-management relations some 25 years hence.

I would suggest that there is no argument between labour and management as to the desirability of greater co-operation. But we are miles apart on too many occasions and over too many issues for either party to believe there is cause for expecting closer co-operation for our mutual benefit in the foreseeable future. I am not, of course, overlooking the fact that in all the Canadian jurisdictions, labour and management settle their differences on a more or less satisfactory basis in the vast majority of cases, year in and year out. What I am concerned with is the number of issues on which labour and management hold fundamental differences, and which constitute serious impediments to closer co-operation.

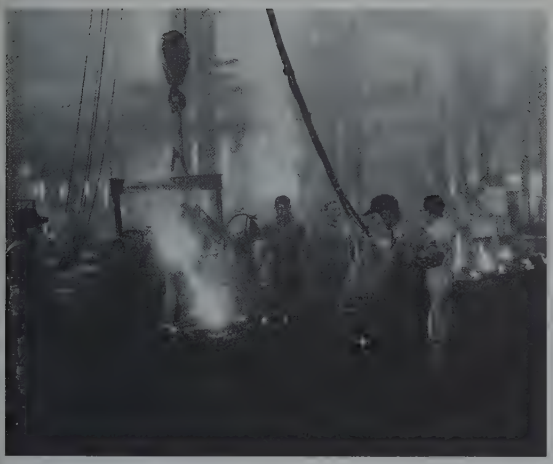
Whether or not we will establish a better working relationship will depend on the parties themselves more than on any other factor. We don't want government to become involved in labour-management relations, but we look to government to help establish a climate favourable to co-operation. Governments can improve relations by good industrial relations legislation; they can improve relations by their good example; and they can improve relations by actively stimulating the development of labour-management co-operation.

Industrial Relations Rules

In the matter of industrial relations legislation, the various Canadian jurisdictions leave a lot to be desired. If we are to get closer co-operation, much needs to be done to modernize and update the legislation. Let me illustrate: Management spokesmen frequently complain that unions were all right in the bad old days when workers were struggling to get a living wage and decent working conditions. But workers are now fairly well paid, the argument goes, and unions have become too powerful.

The labour movement, on the other hand, knows all too well that far from being too strong, the majority of Canadian unions are too weak. We have only a few unions with a large enough membership base to provide for expert services at the bargaining table and on the shop floor. The structure of the trade union movement is all wrong. There is a need for mergers, for larger unions. This process is well under way. It will continue and quicken in the next decades. If the trade union movement is to remain relevant — if workers are going to continue to pay dues to support the system — then unions must become more effective.

We should be training more trade union staff and members in a wide variety of skills. We should be doing more to organize the unorganized. Although most of the major industries and some parts of the public service are highly



organized, the majority of Canadian workers, particularly those who work in small shops, are not members of trade unions. The banks, the insurance industry, the financial institutions and the service industries — there's been scarcely any headway made there in union organizing.

Government's Role

I have said that governments could help bring about a climate for co-operation by enacting better laws. Industrial relations legislation is a root cause of the poor record in worker organization. It should be pointed out that the federal Labour Code makes a bold and optimistic statement in favour of closer labour-management co-operation. It says that Canadian workers, trade unions and employers "recognize and support freedom of association and free collective bargaining as the basis of effective industrial relations for the determination of good working conditions and sound labour-management relations." The Ontario legislation makes a similar endorsement of collective bargaining. Both of these codes recognize the right of workers, as well as employers, to organize. They recognize the right of trade unions to engage the employer in collective bargaining. They recognize the right of trade unions to impose sanctions against the employer, and the right of employers to impose sanctions against trade unions. But we must not allow these declarations to remain mere lip service.

Despite the fact that public authorities declare their faith in collective bargaining, labour codes set many obstacles in the way of union organization. They set obstacles in the way of union certification. They establish procedures that can be used to delay and frustrate negotiation of collective agreements. They have done precious little to establish favourable conditions for the settlement of grievances, not to mention fundamental disputes over new collective agreements. They have also set serious limitations on the scope of collective bargaining.

However, the ground rules for labour-management co-operation aren't all bad. Some improvements have been introduced in labour codes, notably in the provinces with NDP governments, in the last year or so. In Manitoba, for example, bargaining rights have been extended to certain types of dependent contractors, and to professional and supervisory employees. Unions have been given more freedom and protection during the organization process. Technological change provisions have been introduced requiring employers to give notice of change. The right to strike has been extended to all groups except teachers, firemen and provincial civil servants. In British Columbia, the new Labour Code extends trade union rights to policemen, firefighters and hospital workers. It allows unions to apply for certification with 35 per cent worker endorsation, instead of the previous 50 per cent.

But unions want much more. The United Steelworkers of America, for example, the largest Canadian union, seeks provisions for a certification vote when a union has 30 per cent of the membership signed. It wants the law to impose harsh penalties on employers who seek to defeat a certification campaign by employees. It wants the right to strike during the life of a collective agreement over such issues as technological change and unsafe working conditions. It wants legislation that would prohibit the hiring of strikebreakers. And it wants legislation that would permit workers to respect any legal picket line and allow unions to boycott products of companies on strike.

It may occur to you that the rights this union and other unions are seeking could hardly be conceived as assisting labour-management co-operation. But such improvements in the power of trade unions are essential to the development of closer labour-management relations.

Government's Example

There is also the question of government's good example in improving labour-management co-operation. Despite the proclamation of the Labour Code, the Federal Government is sadly lacking in a number of areas where it should be showing the way. Until 1967, federal public servants suffered under a master-servant relationship.

Public servant was the proper designation. They had few, if any, employee rights. Conditions were improved by the mere granting of the right to certification of their associations as bargaining units and the right to engage the employer in collective bargaining. However, the extension of

rights was not given with an open hand; federal public employees were not to enjoy the same rights as civil workers under provincial trade union acts (which themselves are not ideal).

A report prepared by the Chairman of the Public Service Staff Relations Board and tabled in Parliament last year proposed important amendments to the Public Service Staff Relations Act. It suggests that the government, as employer, should be given the right to lock out employees in contract disputes; that the scope of bargaining should be extended so as to make all compensation matters except pensions the subject of collective bargaining; that job classification standards should be the subject of consultation, with classification disputes being mediated through the PSSRB; and that unions should be given the right to bargain on the availability of training programs and the conditions under which employees may participate in them.

Closer co-operation in the future will require some drastic changes in public attitudes and comparable amendments to federal and provincial legislation. You can't have co-operation until you have equality of bargaining strength between labour and management and until you have the will to co-operate (which to us means the willingness to bargain).

Bad Example

As far as setting an example is concerned, some government actions are bad examples to the rest of the community. I will mention only one situation. In the matter of technological change, the Federal Government two years ago decided that, in the event the employer wants to introduce technological change that will adversely affect a significant number of employees (in undertakings which fall under federal jurisdiction), the employer must negotiate the terms of the innovation with the trade union representing the workers. *This legislation imposes compulsory co-operation between labour and management.* It had to be compulsory, because without the provisions of the Code, the employer would make unilateral decisions at the expense of his employees. He would introduce new equipment or new procedures and lay workers off without any concern for co-operation, not to mention workers' incomes and livelihood. The Canadian Labour Congress supported the introduction of this amendment to the Labour Code, but it was vehemently opposed by organized employer spokesmen, who claimed it would inhibit innovation and threaten Canada's competitive position. The same employer spokesmen also expressed the fear that the technological change provisions would be imitated in provincial jurisdictions where employers had more at stake. But the distressing aspect is that the Federal Government has not seen fit to incorporate the same principle in the legislation which affects the Government as employer. Consequently, federal government departments are introducing technological change affecting jobs, incomes and job security of employees, but the public service unions have no opportunity within the purview of trade unions legislation to protect their rights.

We will not have closer co-operation in this vital area until employers and unions sit down together and negotiate the changes — not only the changes in production technology, but the changes as they affect jobs and people's lives. History has shown us clearly that management does not want closer co-operation. Management wants a free hand to make unilateral decisions. But a change in public attitudes has set in. First, the Federal Government, and now the NDP provincial governments, are insisting that co-operation replace unilateral action. In British Columbia, the new Labour Code insists that a technological change clause be included in all collective agreements, and the definition of technological change is similar to the federal definition. In Manitoba, the Labour Code that came into effect last year also requires a technological change clause providing for 90 days notice. The legislation is not ideal. Workers can't always settle their affairs and find a new job, or transfer to another part of the country in 90 days. But it's a start.

Government Stimulation

The third point I would like to make with respect to the government's role is that government should undertake to stimulate the development of good labour-management relations.

Photothèque

There are a number of commendable government programs aimed at improving labour-management relations. In the Canada Department of Labour, the Conciliation and Arbitration Branch offers expert services to the parties involved in disputes over a collective agreement. There is the Union Management Services Branch, which is concerned with committees for on-going co-operation on a day-to-day basis. The Department of Manpower and Immigration has the Manpower Consultative Services division, which encourages joint resolution of in-plant problems. In 1969, there was a tripartite conference in recognition of the 50th anniversary of the ILO, a conference sponsored by the Department of Labour to explore new approaches to labour-management co-operation. But for the most part governments at all levels merely respond.

I am not suggesting that governments meddle, or hover over our shoulder, or twist our arms. The stimulation of good labour-management relations that could result in closer co-operation is the kind of stimulation that governments in some other countries have resorted to. In Britain, for example, there was a conscious effort by governments in the 1960s to support membership in trade unions as "a good thing" for workers and for the worker-employer relationship. Government approval, and support of trade unions in principle has been cited by industrial relations observers as the major cause of increased white-collar organization in Britain in recent years.

In Sweden, nearly all workers eligible for membership in trade unions are in fact union members. Industrial relations observers in Canada never seem to tire of commenting on the apparent high degree of co-operation between labour and management in Sweden, but the high degree of union organization and the mutual respect of trade unions and management in the Swedish system somehow escapes their attention. In Canada we are still a long way from this kind of union acceptance, both on the part of workers and on the part of other elements in the community. Instead of being regarded as an essential element for labour-management co-operation, unions are regarded as being an interference in management rights.

Labour's Political Orientation

I would like to turn now to the question of whether unions will become increasingly politically oriented. My simple answer to this question is "it all depends."

First, it will depend on whether unions, which historically in North America have been organized to improve wages and working conditions, continue to feel that some economic and social issues cannot be resolved at the bargaining table. Secondly, it will depend on whether workers decide to

support political parties, as well as their trade unions, in order to achieve their economic and social goals.

With respect to the first point, the labour movement in Canada has a long record of legislative activity at all levels of government. For example, labour was one of the first national organizations to support the concept of a public system of medical care, and labour now advocates the extension of medicare to community health clinics as a means of achieving better distribution of medical services at a lower cost.

Labour was among the first advocates of public pension plans, a compaign that resulted in the establishment of the Old Age Security program and later, the Canada Pension Plan and the Quebec Pension Plan. It is a well-known fact that, for the majority of workers, the public wage-related pension will be their only retirement pension, along with the Old Age Security pension. In other words, both in health care and in pensions, workers decided long ago that private enterprise was not a reliable system for providing two essential personal and family needs. In these and other areas, workers have learned the hard way that only by organized effort (by union action and by political action) can they influence the course of events.

One other example — a current one — will suffice to indicate the direction workers and unions are taking with respect to political action. The example is public policy with respect to inflation. Inflation is rampant, everybody knows

that. Despite persistently high levels of unemployment, there are labour shortages in some trades, occupations and professions. At the same time, the economy is fairly strong. Corporate profits are at record high levels. For workers who have a job, the problem is declining real earnings.

In its annual brief to the federal cabinet in 1973, the Canadian Labour Congress cautioned that "the statistics point to the need for increased militancy at the bargaining table this year to improve real wages, to obtain a return on increased productivity, which has contributed to record corporate profits." In a repetition of this theme in March of this year, the President of the Congress warned that the country faces the prospect of severe civil unrest unless workers' real wages keep up with the cost of living.

If this argument isn't convincing, look at it this way. We could work in a system in which government determined all wages and prices. We wouldn't like that and we think management wouldn't either. It could be a system in which management made all the decisions on wages, but we wouldn't like that. We could have a system under which the workers made all the decisions on wages, but management wouldn't like that. The fourth alternative is one in which management and workers negotiate wages.

The problem with inflation as a wage-related issue is that some workers in some industries can do something about it at the bargaining table. But this is by no means universally true. Workers who are members of trade unions are also members of a movement that historically has taken political action when the issue has been incapable of solution at the bargaining table. In the past the strong unions pioneered group health plans for hourly-rated workers at the enterprise level. Once the inroads had been made, the public began to favour extending the principle to all the working population through payroll deduction, and later as an employer-paid (or more properly, enterprise-paid) fringe benefit.

The labour movement supported the extension of the private benefit to the public sector, as a means of helping those who couldn't help themselves. The same process saw the introduction of public pension plans. And the same process will inevitably be applied to other public issues, including inflation. If the enterprise system that dominates the industrial economy takes care of only its senior and top-paid employees, and neglects to provide for the mass of its employees, the workers will use political action to defend themselves.

It is interesting to note how Joe Morris, the new president of the Canadian Labour Congress, responded to a reporter's question on what are the major concerns of the labour movement in the 1970s. Not one of them was related directly to the bread and butter issues of the bargaining table. All were "political" objectives. He listed the environment, the delivery of adequate health care services, the spread of multinational corporations, greater job satisfaction and "to an extent, the right of workers to have some say in the control of their jobs."

Labour-Management Relations

Labour-management relations are relations between people who work together day in and day out, year in and year out. Governments don't belong in this relationship. We see the government's role as being essentially restricted to setting social and economic goals, providing adequate social and economic measures to protect jobs, income and health, protecting the environment, assisting disadvantaged regions to meet regional and national goals, and providing the framework for collective bargaining. As I mentioned earlier, government should encourage union membership as a matter of public policy. It should establish rules for collective bargaining that recognize management and unions as partners in the enterprise. It should impress on the parties that it is their responsibility to bargain in good faith. If there is genuine co-operation between the parties there will be little need for government involvement in the process. Government could play a complementary role by providing statistical and industrial information that would be accepted by the parties as objective and factual. Governments are doing some work in this direction, but we are critical of the fact that frequently the information is incomplete or outdated.

Prospects for the Future

The relationship between labour and management is essentially a political one. It is concerned with the distribution and exercise of power inside the plant gate and outside the plant gate.

When management spokesmen speak of closer co-operation between the two bargaining partners it may be assumed that management accepts labour as a legitimate partner – as the legitimate agent of the employees in matters affecting their work, their working conditions and their job security. Lately there has been a steady stream of pronouncements by various employer organizations calling into question the relevance of collective bargaining. Labour knows that collective bargaining does not always work well, but we insist it is essential to a free society. We see the wavering support of some management people for collective bargaining as evidence of diminishing faith in the democratic process, as a kind of despair for mankind's ability to resolve human relations problems.

Union Recognition

A corporate body can have one source of authority and one focus of loyalty, or it can have rival sources of leadership and loyalty. One source of loyalty does not ensure co-operation, and rival sources of authority do not necessarily result in confusion or anarchy. The existence of a trade union as the certified bargaining agent of the employees is recognition by the state (and it should be accepted in good faith by the employer) that the enterprise is no longer under a system of one-man rule or the exclusive authority of a board of directors and its management.

The establishment of a trade union is more than the official act of certification. It is the overt act recognizing the sharing of political power within the enterprise — that is, the power to make decisions.

The essential difference between the trade union and management is that trade unions are concerned with the interests of the workers, and management is concerned with a great variety of matters — technical resources, supply of materials, bank credit, investments, markets, government regulations and, perhaps only incidentally, labour. Except when shortages or strikes occur, labour is taken for granted and given little attention: the labour relations manager is low man on nearly every corporate totem pole. Peter Drucker pointed this out more than 20 years ago when he said in *The New Society* that the "main function and purpose of the enterprise is the production of goods, not the governance of men. Its governmental authority over men must always be subordinated to its economic performance and responsibility...Hence it can never be discharged primarily in the interest of those over whom the enterprise rules."

Economic Role

The point I want to emphasize is that management — even managements that have accepted trade unions as bargaining partners — want to restrict unions to an economic role, and a narrow one at that. They want to draw the line at negotiating the terms of the collective agreement and administering grievances. But they are adamantly opposed to the union's assuming a role on behalf of the employees in regulating *managerial* relations.

The political role of trade unions has been established to a greater degree in Western Europe, but what is happening there is a good indication of the kind of development that will inevitably occur in Canada and the United States in the last quarter of this century. In Sweden, for example, in addition to bargaining at the plant level, union centres and management associations bargain at the national level for collective agreements affecting the vast majority of working people. Unions and management are also identified with the two major political parties. In West Germany following World War II, the Allied authorities imposed a system of institutionalized co-operation on the major employers — they called it co-determination — as a means of preventing the re-establishment of autocratic rule both in the plant and within the state. In Britain today a major policy objective of the Trades Union Congress, which represents nearly all organized workers there, calls for a radical extension of what they choose to call industrial democracy.

We do not anticipate that labour-management relations will develop here in every respect as the relationships in Britain and Western Europe. But the basic conditions and the basic objectives are similar on both sides of the Atlantic. The change to greater worker involvement will not happen overnight. And it will not happen easily or without pain. We anticipate that managements at all levels, in business and in government, will resist the demands of workers for a greater voice and influence in the governing of the enterprise. We anticipate that governments, except possibly NDP governments, will react slowly to the opportunity for adopting the rules that could make the enterprise a truly co-operative undertaking.

But the process has already started. More than ever before, workers are questioning the right of the employer to transfer jobs out of the community, or out of the country, as a matter of unilateral decision. They are questioning the right of management to shut down an operation. They are demanding that managements — and governments — consider the environmental impact of business operations. They are demanding that overtime be on a voluntary basis. They are starting to say that the price of the product is a matter of negotiation between labour and management.

Whether we will have more labour-management co-operation in the future will depend to a large degree on how we meet the challenge of these and other demands in the coming years. Whether we will have more or less government involvement in labour-management relations will depend on how well the parties find their own solutions. But one thing is sure, labour's demands for a greater voice in the government of the enterprise, as well as a fair share of the production of the enterprise, will not go away and will not diminish.

Gordon McCaffrey is a staff officer with the Canadian Labour Congress.

THE NFU: POWER TO THE FARMER

by TED WEINSTEIN

'Power respects power' — for years an unofficial rallying cry of organizations, groups, and unions — has echoed through corporate boardrooms and ranks of workers. Now it is the mustering call of another segment of society: the Canadian farmer.

The directory in the window of a small downtown Saskatoon building guides visitors up two flights of stairs to a standard work area on the third floor. Filing cabinets occupy a good deal of space. There are private offices to one side of the room, an electronic data processing facility on the other. Several employees are busy typing or answering the telephone. The unpretentious premises, resembling an insurance company office or a real estate venture, house instead the national headquarters of one of Canada's most outspoken workers' organizations: the National Farmers Union.

The Past

The current edition of the NFU was created in July, 1969, by the amalgamation of various provincial farm unions. Its predecessor, also called the National Farmers Union, was in fact only an interprovincial farm union council with no provision for the direct membership of Canadian farmers. The NFU claims to have organized about 25,000 farms — 10 per cent of the farms in Canada — giving it a membership of about 100,000 people in eight provinces. The union has deliberately chosen not to seek members in Quebec (although literature is published in both English and French, the executive feels it is a big enough task trying to represent English-speaking farmers without the complication of the language question) or Newfoundland, because of the cost of servicing its small farm base.

North American farmer organizations are not a contemporary creation. Farmers have been concerned about commodity prices and marketing as far back as the late 18th century, when agricultural societies were established in Nova Scotia in 1789, in New Brunswick in 1790, and in Ontario in 1791. Farm organizations known as the Granges appeared in the United States after the Civil War and in Canada during the 1870s. Later, U.S. farmers decided a farmers' political party could help solve their economic problems, and the National People's Party — whose supporters were known as Populists — was formed. The candidates that party members supported in the 1892 and 1896 presidential elections were defeated.

Farmers' political parties in Canada enjoyed more success: the United Farmers of Ontario took power in that province in 1919, the United Farmers of Alberta began a 14-year tenure in office in 1921, and a Manitoba farmers party was successful in a 1922 provincial election. The Progressive Party, a national farmers party headed by T.A. Crerar, won 65 seats in the 1921 national election.

The Present

But the National Farmers Union does not want to imitate these past movements, to try changing the system politically. It wants to work in a fashion similar to that of labour unions. Decades ago, unions organized workers and won gains on a 'power respects power' platform, and the National Farmers Union today is trying the same tactic.

In one of the headquarters offices sits NFU President Roy Atkinson. "The purpose of the NFU is to educate and agitate," according to Atkinson, who was elected president of the union at the 1969 founding convention and re-elected at four subsequent assemblies. "We don't attempt to organize the farmers. We provide advice on farming or economic strategy, or on how to organize, but the farmers have to organize themselves."

The 50-year-old Atkinson, standing over 6 feet and tipping the scales at about 250 pounds, looks as if he would be more at home on his farm at Springbank, Saskatchewan, 75 miles west of Saskatoon, then sitting behind a desk running a national union. He says the roots of unionism took hold in him when he worked as a British Columbia paperworker. Before becoming president of the NFU, Atkinson worked as director, vice-president, director of organization, and president of the former Saskatchewan Farmers Union. He has served as chairman of the National Farm Union Council (the NFU forerunner), on the Economic Council of Canada, and is a member of the Canadian Council on Rural Development.

Farmer organization is necessary to give farmers a united voice, to make them a countervailing force in society, maintains Atkinson. The policy statement presented to delegates at the founding convention gives the reasons: "We live in an organized society. Organization implies discipline of action among the members of a group in society who share common interests and goals. Such discipline is widely exercised to the disadvantage of farmers in commerce and trade through the existence of a market system and an administered price structure managed by the corporate industrial complex, in terms of both the goods and services purchased by farmers and the sale of farm products. As a result of the total control over the terms and conditions of trade vested in the corporate sector, vast inefficiencies exist within it..."

That's the problem. How can unionization overcome it? The policy statement goes on to say that "as individuals, farmers can exert no real influence in the market place... Farmers must learn to live with one another rather than off one another. Farmers must organize and bargain collectively as farmers to bring about the degree of discipline and organization necessary to make them an effective countervailing force in our society.

NFU President Roy Atkinson

"No force in our society can match the power possessed collectively by farmers. Food production is an absolute essential. Farmers are entitled to a fair return on their labours and investment. Action follows organization. Through mutual co-operation and collective action, farmers can exercise the bargaining power that comes with organization."

In other words, power respects power.

The Current Marketing System

To understand the background behind this push to unionize farmers, you have to be familiar with the Canadian commodity price and market system. As it stands now, farmers sell many of their commodities to marketing boards, which then negotiate with government commissions to get the best prices. The marketing boards lobby the commissions on behalf of the farmers; trade associations lobby on behalf of the buyers for the lowest possible prices. In essence, the more powerful lobby wins: so far, farm lobbies have not been able to compete with the industrialists.

"But the term marketing or producer board is a misnomer," explains Atkinson. "The board's function is not really to bargain, but to assemble the product and deliver it to the buyer at the least cost, all the while giving the illusion that it has influence. For example, the Ontario Milk Marketing

Board cannot put a price on fluid milk except after having that price ratified by the Ontario Milk Commission, which operates under government direction. On occasion, the Commission denies price increases. Therefore, the milk marketing board's function is to gather the milk, not set a price; it's a mechanical device of assembly and delivery. The farmers are made to feel that they have an important role, but all they do is sell their milk to the marketing board and hope the board acts in their best interest.

"When milk farmers request a price for their milk, I would assume the marketing board holds discussions with the buyers — who usually belong to one or more trade associations — makes a decision, and refers it to the milk commission. The commission has the final say, and the outcome usually depends on who has the strongest lobby."

There are government subsidies intended to give farmers more income while keeping retail prices down. But individual farmers who are unhappy with the price they are getting for their products usually only have three choices: withhold their products from the market, sell the commodities at a loss, or eventually go out of business. Atkinson contends that the NFU offers another alternative: farmers can strike by collectively keeping their products off the market and collectively negotiating for better prices.

"Except possibly in Quebec," he noted, "farmers have no direct input into the bargaining process between the boards and the trade. That's why, at this stage of its development, the NFU's function is education and agitation. In the long run, its goal is to develop a process through which collective bargaining can take place."

The NFU has not yet achieved certification as bargaining agent, although it came close in Prince Edward Island. In 1972, a majority of registered potato growers, voting in a plebiscite, approved the union as their collective bargaining agent. But in a later vote, the NFU plan for unionization was defeated, and the union could not be certified.

Education and Agitation

Elaborating on the short-term NFU purposes of education and agitation, Atkinson stated that the union tries to provide the process through which farmers can be educated about reality through involvement: about the global socio-economic picture, about farming itself, and about how farming relates to the non-farming community and to government.

NFU agitation has taken several forms, because union policy is not limited to presenting briefs to make a point. Witness the July day in 1969 when 5,000 Saskatchewan farmers took their tractors on that province's highways to protest the lack of government action on farm problems. In April and May of the following year, the union dramatized its concern about low egg prices by giving away free eggs in Edmonton. A month later, the protest scene shifted to Ontario, when NFU members picketed and then boycotted the Borden milk company for importing powdered milk at a time when milk prices were low because of product surpluses. In 1971, farmers in Prince Edward Island assembled a tractor protest.

Photothèque

But perhaps the confrontation for which the NFU is best known is the Kraft boycott. Explains Atkinson:

"From 1969 through 1971, many dairy farmers — namely those in the heavy dairy production areas, such as Ontario — were going out of business because the price they were receiving for their milk was not covering their costs. Having recognized the need to bargain collectively, NFU members took the initiative and met with some dairy companies to discuss the farmers' right to collective bargaining. But officials of Kraftco refused to talk to the NFU. The farmers decided to picket the Kraftco plant at Ingleside, Ontario, just west of Cornwall. Despite the picketing, the company still refused to meet with the farmers; the farmers decided in August, 1971, that if Kraftco was going to take this attitude, their productions would be boycotted."

In Atkinson's opinion, the boycott has been successful. He says the NFU has drawn attention to the question of collective bargaining for farmers, and to the power held by Kraftco, one of the largest multinational food marketing corporations in the world. The boycott has enjoyed support from farmers and consumers, he claims, and many retail

outlets are now displaying alternate dairy products to those sold by Kraftco.

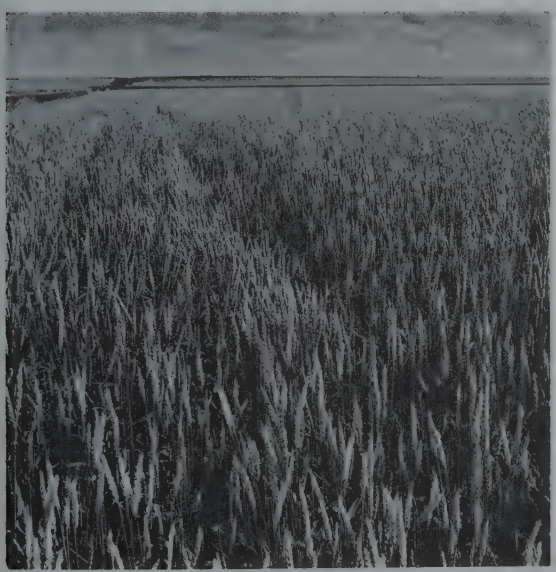
The Farmers' Dilemma

The discussion turned to farm income, food prices, and the future of the union. Why, for instance, are so many farmers leaving the farm? Are they all losing money?

"Let me say right now that some farmers — mostly those who grow grain or other specialized crops — are making more money than they ever dreamed off. This has occurred because of world shortages, poor distribution, and speculation. On the other hand, as grain prices have risen, the cost of feeding grain to livestock or poultry has increased sharply at a time when their market prices have declined sharply. Farmers caught in this squeeze have chosen, either voluntarily or because of impending bankruptcy, to get out of farming.

"Many grain farmers near the age of retirement have taken this opportunity to cash in and retire. Some dairy farmers have decided that working seven days a week, 365 days a year, is beyond their physical endurance, and they have converted from dairy to beef. Many young people considering farming know they need a very large capital investment and have decided that either it's not available or they're not willing to go into debt to get it, if it was available.

"As a union, we can make the correct analysis of this situation, direct the farmers' attention to the ways and means of resolving it, and strive for public and governmental policy to correct it."



Price Disparities

Food prices at farm level are generally too low, continued Atkinson, while food prices at the retail level are too high. "There are many reasons, such as the interest rates being charged by lending institutions. Another reason is that retailers have built too many stores. They underutilize their staff, buy land and erect buildings they don't need, pay taxes on these stores, and so on. Competition today does not lower prices, it drives them up. About 10 years ago, a friend of mine found that Saskatoon's retail food capacity was 42 per cent overexpanded; today, it's probably 50 per cent overexpanded."

Yet Atkinson asserts that prices paid to producers have dropped. He says there is a spread of about 10 cents a pound being paid for steers and finished heifers. But when consumers buy meat, they don't know which they are buying, because the price is the same. In Regina during the summer, heifer calves were selling as low as 18 cents a pound, compared with last year's price of 60 cents a pound. The farmer can hold his stock off the market until next spring and hope the prices improve. But to Atkinson, these examples represent the concentration and misuse of economic power.

The National Farmers Union maintains that the ownership of farmland must stay in the hands of individual farmers instead of corporate farms or agribusiness. It's important for Canada to maintain its diversity, contends Atkinson, and just as important for farmers to be able to make day-by-day decisions about their lives rather than having the decisions made by a growing corporate structure.

Won't farmers sell if they are offered inflated prices for their land? "It may appear idealistic to think farmers will not sell their farms at inflated prices, but one has to look at the total cost to society," responds Atkinson. "If corporations offer exorbitant prices for land on which to grow foodstuffs, the increased cost of land will be passed on to the consumer through the cost of the food. In addition, if corporations and large conglomerates take over food production, they will manage the market and set their own prices. All of society will pay."

The concept of saving the family farm will eventually come into its own, Atkinson believes. Agricultural prices in general are very strong, he says, and producers tend to forget their vulnerability. "But when the economy turns around, the crisis of the situation will focus in their minds much more sharply than it did during the last crisis, from 1969 to 1972. At times of crisis, farmers are prepared to make

substantial changes; they are conscious of their need to increase their bargaining power. When the economy changes, they will be aware of what the NFU can offer.

"This partly explains why most of Canada's farming population doesn't belong to the NFU at the moment," he continued. "I suppose the contradiction with which we are constantly struggling is that the farmer as a private entrepreneur has been brainwashed that in this business of free enterprise, he should have all his options open, in order to make his own choices. He wants to use a group or organization when he can achieve maximum benefit.

But as the industrial complex becomes more systematized and big business becomes more powerful, the options open to farmers are closed off. Eventually, the farmer will either have to join the industrial complex or join with his neighbours to bargain effectively with it. Our job is to maintain a position and facilitate the learning process, so when the appropriate time arrives, the farmers will move toward the position that gives them maximum protection."

According to Atkinson, another explanation of why the union has only signed up 10 per cent of Canada's farmers is that they have been inundated with propaganda and economic deterrents against joining by "vested interests who would be threatened if farmers joined in solidarity. I think it's fair to say the industrial sector understands more correctly the power relationships that would evolve if farmers were unionized and the problems it would have to face.

"Farmers also are not amenable to the kind of change we are talking about. They accept technological change, but with marketing and bargaining, they tend to hold onto the past. In addition, as the NFU grew from 1969 to 1972, new commodity organizations, such as the Palliser Wheat Growers Association and the Alberta Farmers Union, were deliberately created to fragment farmers' power. It is the farmers' nature to want to keep their options open: they think that if one organization is good, then six are even better. We keep saying fragmentation is weakening farmers' power. A unified organization benefits farmers. Professionals such as doctors join unified organizations – there is one medical organization, not organizations according to doctors' specialities."

The union's future? Atkinson foresees a long, hard struggle to sign up new members, given the current economic system and the difficulty in organizing members of a traditionally independent occupation. Operating on a voluntary membership basis means farmers must be canvassed every year, but so far, there have been people around willing to do the canvassing. Elmer Laird is one such NFU member who helps the membership campaign.

Laird farms about 1,000 acres of grain at Davidson, a town just off the main Saskatoon – Regina highway. A farm union man since 1949, he said he believes that farmers will not get anywhere unless they work together. One organization, such as the NFU, is necesary to speak for all farmers.

Few of his neighbours are NFU members, although he asked them to join. "Some livestock farmers grumble about the prices they are getting, yet they won't support the NFU," Laird noted. "When they talk about prices, I don't feel sorry for them."

South of the Laird spread, near the grain elevators of Craik, Saskatchewan, Ivan McMillan farms 1,280 acres of grain. He does not belong to the NFU because, he says, "they condemn everything without offering anything in its place. I also object to militancy, although there may be some place for confrontation."

McMillan believes that there is a need for farmers' organizations, but the NFU is too broadly based. Most commodities have their own lobbies, and he said he didn't think the NFU could effectively speak for the various segments of agriculture in a unified fashion.

Another farmer who does not belong to the NFU is Richard Barnsley. He farms 1,250 acres of grain near Balcarres, about 60 miles east of Regina. The NFU tends to bend toward socialism, he observed, and he asked how any farmer can consider himself a socialist.

"The NFU has its fingers in too many pies. Wheat is my bread and butter and I have to look after my own interests. An organization such as the Palliser Triangle Wheat Growers Association is better for me. The NFU must be careful when it makes a policy or a statement, because to speak for wheat farmers is to speak against livestock farmers. There is no relationship between a Saskatchewan wheat farmer and a Manitoba sugar beet farmer because of the differences in crops, transportation and marketing."

Barnsley asserts that he has no time for a radical organization such as the NFU, which promotes "death traps" such as tractor demonstrations, and he could not respect a group which pelts rotten wheat at politicians.

The Palliser Triangle Wheat Growers Association has its head office in Regina. Doug Campbell, Research Director, says that the Association represents about 3,000 wheat farmers in Alberta, Saskatchewan and Manitoba.

His association has no particular conflict with the NFU he asserted; there is a need for an overall farm organization in non-political matters, but the NFU has become too political. They take issue with too many matters, and condemn

governments on broad grounds, not necessarily regarding agriculture.

"The Palliser was formed because of the 1969-70 depression situation," says Campbell. "Wheat wasn't selling, and growers here saw U.S. farmers doing better. In the crunch, the farmers decided to form a lobby to keep in close contact with governments and agribusiness.

"The NFU thinks all agribusiness is bad. We have a constructive attitude; if we can get action, we don't confront. Some Palliser members once belonged to the NFU. They feel there is a need for a broad-based farmers union but not one as political and militant as the NFU."

ARE BLUE-COLLAR WORKERS REALLY BLUE?

by GEORGE SANDERSON

Dissatisfaction with employment, a popular theme in recent mass media programs and articles, has been attributed particularly to industrial workers engaged in repetitive assembly-line jobs. The popular theory is that alienation from work is hurting business and society, and that something must be done to make boring work more satisfying.

Alienation Uncommon

Now, a team of American psychiatrists from Rutgers University who undertook a comprehensive study of production-line workers in a General Motors plant in the Baltimore area has found that worker alienation may be a myth. Contrary to the accepted view, the researchers discovered that loneliness, depression and life dissatisfaction were uncommon among the auto workers surveyed, except among emotionally disturbed employees.

The psychiatrists assumed that they would find a dissatisfied workforce. A senior union official (not from the United Auto Workers) told them: "You have to be crazy to work in that auto plant. You psychiatrists will have your hands full." Yet 95 per cent of the workers reported themselves happy with their jobs, and 71 per cent reported no part of their work as tiring or upsetting. These results were not consistent with the researchers' hypothesis about the "miserable impact of dull production-line employment on the mental health of the worker. (The researchers spent considerable time in the plant and frankly still cannot understand why the workers do not express more dissatisfaction)... Our initial findings and anecdotal observations (based on five years of clinical work with this population) fail to demonstrate the presence of...alienation." Significantly, satisfaction levels were high in comparison with other groups and there was no more evidence of boredom and depression among the workers than among their spouses. "It is... possible that being the wife of a blue-collar worker is more conducive to depression than being the worker," the psychiatrists found. "The data concerning workers and their wives hardly support the notion that repetitive industrial work is in itself causative of alienation."

One explanation offered for the findings is that "the relative stability of the Baltimore workers, their age and the relatively steady growth of their income, make these workers typical in some ways. They are older, have moved about less and have been on the job longer than many workers. The most dissatisfied are perhaps weeded out over time." The researchers are currently gathering data on a younger workforce in New Jersey to test this hypothesis.

Quantitative Measurements

"To move beyond anecdotes, impressions and theorizing" the Rutgers scholars "sought to develop quantitative measurements" of job dissatisfaction. Their study was not intended as a study of alienation per se: It was instead "an

examination of the so-called blue-collar blues, the presumed result of alienation." Using questions about loneliness and dissatisfaction, the survey was unique in that it made a direct comparison of responses given by three groups of workers: those who were psychiatric patients, non-patients who were classified by the researchers as mentally ill, and those not so classified.

The typical person in the survey was white, 40 years old and lived in his own row house. He had a ninth grade education, was born in Baltimore or had lived there for many years, had been married for more than 17 years and had two children. He had worked at the same job for more than 13 years and lived on a family income of close to $9,000 a year.

Other Studies

The Survey Research Center at the University of Michigan confirmed the results of the Baltimore study. After analyzing 15 opinion surveys conducted since 1958, the researchers concluded that there has been no demonstrable change in American industrial workers' job satisfaction during the past decade.

Stanley E. Seashore, professor of psychology at the University of Michigan, concluded: "Over a span of several decades, estimates of the proportion of "dissatisfied" workers in the U.S. workforce generally, or in specific occupations, have remained surprisingly low and only moderately variant."

Another American researcher, A. Kornhauser, studied auto workers in Detroit. He summarizes his findings as being "in substantial agreement with hundreds of other studies in finding that workers express predominantly favourable feelings towards their job and life situation."

The evidence suggests that, for workers at nearly all levels, lack of challenge is much less oppressive than low income, job insecurity, inadequate fringe benefits or tyrannical supervision. Most people are willing to tolerate large doses of boredom if they are paid enough; and it is doubtful that the economic motivation to work will atrophy as fast as some psychologists have suggested.

Implications

If the data gathered by the Rutgers team are reasonably accurate, what are their implications? "The data suggest to us the astounding degree of plasticity of the human mind," say the psychiatrists. "Man has a great capacity to adapt and to cope; when that capacity breaks down, it does so globally... Thus, when loneliness, boredom and life dissatisfaction occur, it is part of a larger pattern of psychological breakdown in the majority of the cases we have described and not a mere reflection of social pressures. Such a breakdown occurs no more often among those workers than among...Nova Scotia fishermen... or rural North Carolinians and less often than among... mid-town Manhattanites."

Expectations

The Rutgers scholars "aren't implying that assembly-line work fills people with satisfaction. But they're getting about what they expect — a pay cheque, vacations and retirement." "Achieving job satisfaction" may actually mean having a job that lives up to one's expectations, say the Rutgers scholars. "One wonders whether similar high levels of satisfaction may not have been found among workers in the most adverse work conditions, where no more was expected."

The researchers think that "the data would shift radically were there a sudden infusion of young new workers with totally different expectations into the study population. The findings are a tribute to the workers' emotional plasticity and adaptability, not to the 'delights' of assembly-line industrial society."

Other Ends

People can resort to various devices to make their jobs more satisfying. Frequently, a worker will adjust to tedious work by dreaming of a better life, (for himself or his children), by lowering his aspirations, or by viewing his job as

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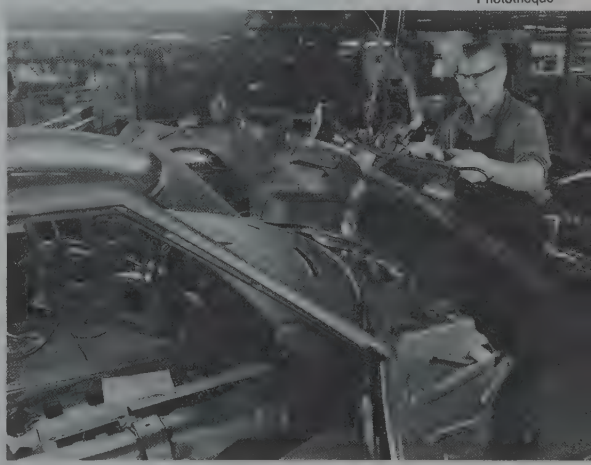

a means to other ends. The Rutgers psychiatrists suggest that the need "to produce products in which one can take intrinsic pride may not be part of the ego-ideal of the modern worker." Providing oneself with security, money, home and hobbies by working may be more important than the job itself.

Other Influences

There is also the possibility that our prevailing concepts of job satisfaction have serious limitations. Most people think that satisfaction is caused primarily by the job itself, excluding the larger environment. Yet the work role is not the only role played by most people. Other aspects of life have important influences on overall happiness. Many workers obtain a large part of the challenge they seek off the job, through recreation, family activities or union membership. One of the most significant observations made by the Rutgers scholars was that "the presence of a strong and effective union seems to obviate the sense of powerlessness."

Our "ethnocentrism" should not blind us to the "effective coping patterns of those workers," the psychiatrists warn. The workers in their study "have effectively seized control over their own destiny and security through a powerful yet highly democratic union. The job is not the center of their lives, or its source of meaning, but a means toward enjoyment of other pursuits and security."

Different Perceptions

Many members of the workforce feel and report satisfaction with jobs that don't deserve that kind of attitude – grossly deficient in pay, safety, security, intrinsic interest, and other normally valued qualities. Others experience and report dissatisfaction with work situations displaying nearly all the attributes that society considers desirable.

The individual assesses his job and work environment as he perceives them, according to his own needs, preferences and expectations.

The Rutgers authors comment that "to impute boredom, alienation, anomie, or the seeds of mental illness to another man's work or existence is a hazardous thing. To some blue-collar workers, the social scientists' preoccupation with books, dry articles, tables of statistics, and obsessive academic discourse must seem more boring, more alienating, more fraught with anomie than their own existence. That worker might provide excellent evidence that the lonely, dissatisfied social scientist has a much higher rate of surveyed mental illness, psychiatric utilizations, and suicides than any UAW population."

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In other words, the writers' and social scientists' belief that assembly-line workers are dissatisfied and alienated derives from the class-linked perception of what a good job should be. As one observer put it: "Middle-class careerists commonly submit to routine and repetitive job procedures, but they do so on the understanding that they are furthering their careers. The idea of people not only submitting to routine, boring work, but making a life's work of it is usually incomprehensible to them."

Michigan psychologist Seashore emphasizes the fact that people are not constant in their responses to working conditions. Job satisfaction is a dynamic process, he explains, "a desired state that is continuously experienced and maintained, if possible, within a continuously changing environment and within a continuous flow of changes in the individual." An initially challenging job may become less so, as the occupant gains competence through experience. Similarly, a man's pay may be highly satisfactory until he acquires a wife and child.

Dissatisfaction Normal

"The occurrence of job dissatisfaction is quite a normal and inevitable thing, and, within limits, a desirable thing for society, in that dissatisfaction is temporary for the individual and stimulates necessary societal adaptations and changes," Seashore believes.

"If this view is valid," he says, "then we can anticipate that gross rates of job dissatisfaction in any large and diverse society may remain quite stable, or at least display changes that are slow in developing and limited in range."

Indicators of Alienation

Writers and social scientists have tended to attribute rising rates of absenteeism, turnover and poor workmanship to emotional distress brought on by the dehumanizing work environment of the factory. They attribute these indicators of alienation particularly to younger workers, who have higher expectations brought about by rising levels of education, wealth and security; decreased emphasis on obedience to authority; a decline in achievement motivation; and a shift in emphasis from individualism to social commitment.

Other Explanations

A higher rate of worker alienation may indeed explain increased absenteeism and turnover, industrial accidents, sabotage and resistance to rules, but it is not the only explanation. The increased rate of unscheduled absences may simply reflect individuals taking advantage of newly won paid-leave privileges. The labour market affects turnover rates, and today's worker has more alternatives. He is more skilled, more mobile and can more easily afford to quit and look elsewhere. Welfare, unemployment insurance schemes and other forms of government assistance also make it easier to change jobs.

Similarly, the increasing proportion of strikes and slowdowns over working conditions covers such a wide variety of issues that its implications in terms of attitudes to work are uncertain. A rise in union militancy may reflect a welling-up of negative feelings, but it may also result from tactical considerations. Rebelliousness of the rank and file may result from the insensitivity of union leaders rather than from the frustrations induced by work.

Finally, the absence of any clear-cut economic data pointing to disaffection with work raises the possibility that North Americans may be more satisfied with their jobs than some writers and behavioural scientists have suggested.

Moreover, the rash of news stories and surveys linking "the blue-collar blues" with the quality of working life has tended to obscure a number of longer range developments operating to create a far more favourable working environment. Changes in the occupational structure have meant an increase in the number of professional, technical and other white-collar jobs at the expense of blue-collar occupations. Many routine low-paying jobs remain, but there have been major improvements in the working environment.

Technological change has eliminated all but a few of the most tiring jobs. Improved lighting, ventilation, noise and temperature control, sanitation and other amenities have been incorporated in the newer industrial facilities. Important changes have also been taking place in working hours. Flexible work schedules, compressed workweeks and part-time jobs have made work more appealing, especially to women and young people.

Higher levels of education, shorter working hours, longer vacations and earlier retirement with full pension rights have also opened up a wider range of opportunities away from work for creating a full and satisfying life. Finally, the increase in levels of pay and a host of new and improved fringe benefits have minimized the misery of dull, repetitive jobs.

More Study Needed

"In any case," say the Rutgers psychiatrists, "even if subsequent work were to demonstrate clearly the 'alienation' of the worker from his job...one would have to wonder about the meaningfulness of the concept if it is virtually without psychological effect on the worker," as their data suggest. Further work is needed to measure directly alienation among workers.

It should be kept in mind, however, that even if economic factors are actually a greater cause of unhappiness than the intrinsic sterility of the job, this is no reason for ignoring the quality of working life any more than we should ignore arthritis just because heart disease or cancer kill more people annually.

The Rutgers psychiatrists warn that "the auto worker's job satisfaction must not be confused with smug acceptance of his life as it is. Standing in a pit, putting the same spot welds in a fender housing is no great pleasure. The workers insist that the line conditions should be as decent as possible and fight for wages and security to compensate for jobs that are unpleasant." They add that their findings "should not be used as a rationalization to maintain untoward work conditions. One should not have to find proof of global dissatisfaction, life dissatisfaction or a higher prevalence of mental illness to change what is amiss."

LABOUR LEGISLATION IN 1973

PART 6B: GENERAL INDUSTRIAL RELATIONS. THE CONSTRUCTION INDUSTRY, SPECIAL GROUPS, AND EMERGENCY LEGISLATION

by CAL McKERRAL

In 1973, Newfoundland added detailed construction industry accreditation provisions to its Labour Relations Act. (The amendment also included general measures that apply when business ownership is transferred and when successor rights are in question due to union mergers or jurisdictional transfers. Provision is also made for the control of interim injunctions).

Amendments to the Quebec Construction Industry Labour Relations Act set in motion landmark measures aimed at attaining industry- and province-wide collective agreements. Prince Edward Island established an accreditation system in the construction industry.

In British Columbia, The Public Service Labour Relations Act received royal assent. It modified certification and bargaining procedures and also introduced technological change provisions. As well, the province repealed the Civil Service Act and replaced it with the Public Service Act, effective November 7, 1973. The new Act establishes a Public Service Commission and a Grievance Board, and reconstitutes the Public Service Staff Relations Board.

The new Teacher Collective Bargaining Act replaced the Saskatchewan Teacher Salary Agreement Act, setting out among other things, bargaining on a provincial as well as local basis. Emergency legislation ended strikes in the federal railway services and the Ontario elevator construction industry. Alberta retained emergency measures in the Labour Act, and strengthened its enforcement provisions.

General

In Newfoundland the Labour Relations (Amendment) Act, 1973, proclaimed into force May 22, 1973, spells out in detail conditions that, when a business operation is transferred, bind the purchaser, lessee or transferee to continue with the bargaining rights of employees, subject to application to the Board for modification or resolution of any problems that occur.

Similarly, trade union successor rights claimed at the time of merger, amalgamation or transfer of jurisdiction are determined by the Board and declared by its order.

A new section was inserted into the Act to control interim injunctions. Where a lawful strike or lockout exists in a dispute, no *ex parte* injunction before trial may be granted that restrains any party to the dispute from doing any act in connection with the strike or lockout.

Any affidavit supporting an application for an interim injunction for restraint must be confined to facts that the deponent himself can prove. The other party in the dispute must be served the notice of motion, along with copies of any affidavits, no less than 24 hours before the time fixed for the hearing.

Deliberate misrepresentation of any fact or the withholding of any qualifying relevant matter provided by, or on behalf of, the applicant for an injunction constitutes a contempt of Court.

All these new provisions apply in every respect to the Fishing Industry (Collective Bargaining) Act, 1971 (in which the terms "association", "operator" and "fishermen" replace "trade union", "employer" and "employee").

Construction Industry

On June 1, 1972, Quebec passed Bill 9, a significant amendment to the Construction Industry Labour Relations Act that sets up a system of "juridical extension" of a collective agreement. Under the amendment, the standards of wages and working conditions set in a collective agreement negotiated by a representative proportion of employers and employees are imposed by decree on the entire industry within a specified area.

An important and somewhat controversial provision of Bill 9 is that to be considered a collective agreement, an agreement must be made by one or more employees' associations which represent more than 50 per cent of the employees and one or more employers' associations which represent more than 50 per cent of the employers.

If no agreement is made, the matter can be referred to a council of arbitration with the consent of the employers' and employees' associations, each of whose representativeness is at least 50 per cent.

Previously, either an employer or an employee association with 5 per cent representativeness could veto an agreement.

Representative associations are no longer recognized individually by the Act. Now, every association of employers or employees wishing to be recognized as being representative for the purpose of the Act must apply during the tenth month preceding the expiry of the decree. The chief investigating officer then determines the representativeness of the association according to the size of membership, the amount of levies, and the number of hours worked. A certificate is then issued attesting to the degree of representativeness.

Bill 9 also stipulates that a single collective agreement may be concluded for the entire province.

Another important change is the provision that no collective agreement between an employer or employer's association and an employees' association may require that all or part of the labour force be hired through a hiring ball.

The Joint Advisory Commission has been abolished. The commission had advised on such matters as standardization of systems of vacations, social security plans, territorial scope of decrees and the hiring halls.

The new definition of representative association requires that changes be made in the method of appointing the 14 members of the Construction Industry Commission. The Commission exists to carry out decrees made under the Construction Industry Labour Relations Act.

Arbitration

Arbitration must provide the final settlement to any dispute between the parties to a collective agreement relating to the interpretation, meaning, application or administration of the collective agreement or any of its provisions; a violation or alleged violation of the agreement; working conditions; or the question of whether a matter is arbitrable or not.

The procedure in the Act must be substituted for any arbitration or arbitration procedure provided for in the collective agreement.

The new procedures apply during the period from the date of the termination of a collective agreement to the date when conditions that must preceded a vote, strike or lockout, have been met.

Under Section 27 of the Act, these conditions are that the bargaining agent and the employer have failed, after bargaining, to conclude a collective agreement, and either (a) a conciliation board has been appointed to endeavour to bring about agreement between them and seven days have elapsed from the date on which the Minister received the board's report, or (b) fifteen days have elapsed since the Minister received a written request to appoint a conciliation board, and the Minister has given no notice that he has decided to appoint a conciliation board, or he has informed the party that he has decided not to appoint a conciliation board.

When a dispute arises that the parties are unable to resolve, they must agree by midnight of the same day upon the appointment of a single arbitrator to act on the matter. The Minister may appoint an arbitrator when one of the

parties notifies him that they have failed to make such an appointment. In any event, the Minister is empowered, with the written consent of the employer and the trade union or unions representing the employees concerned, to appoint an arbitrator during the term of the collective agreement or for the term mentioned in the appointment, thus superseding the above-mentioned "ad hoc" appointment provisions.

The arbitrator's decision is an order: it may require compliance with the collective agreement and reinstatement of an employee with or without compensation. The decision shall be rendered within 48 hours of the time of appointment unless an extension is agreed upon by the parties. From the time the decision is rendered, the parties must abide by and carry out any requirement it contains.

A report by the arbitrator of his decision must be transmitted to the Minister and the parties.

Payment of the remuneration and expenses of the arbitrator is to be shared equally by the employer or employers' organization and the trade union.

Accreditation

A major amendment to the Prince Edward Island Labour Act has established an accreditation system in the construction industry.

Accreditation orders are to be issued in respect of a particular area and trade sector. "Sector" is defined as (1) industrial and commercial, (2) housebuilding, (3) sewers, tunnels and water mains, (4) road building, or (5) any other sector or sectors determined by the Labour Relations Board.

An employer's organization claiming to represent the unionized employers in a geographic area engaged in a particular sector of the construction industry may apply to the Labour Relations Board to be accredited as the sole bargaining agent for all unionized employers in the sector of the construction industry applied for.

The Board must then decide certain questions related to the appropriateness of the application. These are as follows: (1) whether the geographic area and sector applied for are appropriate for accreditation; (2) whether certain employers should be included in or excluded from the unit making the application; and (3) whether the employers' organization is sufficiently representative to be accredited.

To be considered representative, the employers' organization must have as members no less than 35 per cent of the unionized employers in the geographic area and sector applied for — who must employ a majority of the unionized workers in that geographic area and sector; or have as members the majority of the unionized employers in the geographic area and sector applied for.

The Board must ascertain the number of unionized employers in the area and sector at the time of application, and if necessary hold a representation vote. An employee, for purposes of accreditation, is deemed to be one who was on the payroll for the weekly payroll period immediately preceding the date of the application. If this pay period is inappropriate, the Board may choose a more suitable one.

The applicant employers' association must be deemed to be properly constituted with sufficient authority from its members to be in control of them. In addition, no employers' organization that discriminates against any person on grounds of sex, race, colour, nationality, ancestry or place of origin is entitled to be accredited.

Where an accreditation is granted, the employers' organization becomes sole bargaining agent for all unionized employers in the unit for which the accreditation was granted, whether those employers belonging to the association or not. When the association has concluded a collective agreement or is legally in a strike or lockout position, all individual agreements in the unit become void. This provision was included to prevent "free-ride" agreements. The provisions also apply to employers who establish bargaining rights subsequent to an accreditation having been granted.

Provision is made for revocation of an accreditation at certain times outlined in the Act. These times are as follows:
— when an accreditation has been in effect for not less than 12 months and the accredited employers' organization is not a party to any collective agreement;
— after the commencement of the forty-sixth month of the operation of the accreditation order and before the forty-ninth month of its operation; and
— during the three-month period immediately preceding the end of every third year thereafter.

The Board may grant a revocation if the majority of the employers in the unit no longer wish to be represented by the association.

The new legislation does not compel any individual employer to cease operations when the accredited association is struck or locks out, but there is a prohibition of agreements for the supply of labour during a strike or lockout.

Accreditation provisions for construction industry employers' organizations in Newfoundland are laid down in amendments to the Labour Relations Act. Cognizance is taken of geographic areas, and the construction industry is divided into four sectors: industrial and commercial; house-building;

sewers, tunnels and water mains; and road building. Other sectors may be determined by the Board. An employer's organization may make formal application to the Board to be the sole collective bargaining agent for all unionized employers in the applicable sector and geographic area.

The Board is empowered to determine the appropriate geographic area and sector of the industry designate the whole or any part of the province as an appropriate geographic area and include or exclude employers from the unit before accreditation.

Before an employer's organization is accredited as the sole collective bargaining agent for all unionized employers in a certain area and sector, the Board must be satisfied that the employers' organization has as members either a majority of the unionized employers in that geographic area and sector, or no less than 35 per cent of the unionized employers in that geographic area and sector, who must employ a majority of the unionized workes in the area. The Board ascertains the number of unionized employers in the geographic area and sector applied for and the number of them who were members of the employers' organization at the time the application was made. The Board may hold a representation vote of employers in the area and sector applied for.

Before granting accreditation to an employer's organization, the Board must be satisfied that the employers' organization is a properly constituted organization controlled by its members, and that each of its members has vested appropriate authority in the organization to enable it to discharge the responsibilities of an accredited bargaining agent.

Accreditation is not permitted for any employer's organization that discriminates against any person because of race, religion, religious creed, sex, marital status, political opinion, colour or ethnic, national or social origin.

When an accreditation order is granted, all rights, duties and obligations under the Act applying to employers who belong to the accreditated organization apply to the accredited organization. A collective agreement in force between an employer and a trade union at the date of accreditation does not bar a trade union from giving notice to that organization to commence collective bargaining; nor does it bar the organization from giving notice to the union to commence collective bargaining.

When an employer's organization is accredited and a collective agreement between an employer in the unit and a trade union is in force, that collective agreement terminates and is no longer in force:

– where a collective agreement is concluded between the employers' organization and the trade union or council of trade unions, on the date of signing or the date on which the collective agreement comes into force, whichever is later; or

– when a collective agreement is not concluded between the employers' organization and the trade union or council of trade unions, on the date on which a strike or lockout is permitted in accordance with the Act.

After an employer's organization has been accredited and a union is certified for another employer in the sector and area covered by the accreditation order, the bargaining rights, duties and obligations of that employer, whether he becomes a member of the accredited organization or not, accrue to the organization. The employer is bound by any collective agreement in effect or subsequently negotiated between the accredited employers' organization and a trade union or council of trade unions in that sector.

If an employer's membership in an organization is terminated, the organization retains all rights, duties and obligations on behalf of the employer until the accreditation has been revoked.

An employer's membership must not be denied for any reason other than refusal or failure to pay the periodic dues, assessment and initiation fees uniformly required to be paid by all members of the employers' organization as a condition of acquiring or retaining membership in it.

No collective agreement is to be individually negotiated between an employer in the accredited sector and area and a trade union or council of trade unions; any such agreement is not binding.

Employers in an accredited unit may apply to the Board for a declaration that the accreditation be revoked:

– where the accreditation order has been in effect for not less than 12 months and the accredited employers' organization is not party to any collective agreement;

– after the commencement of the forty-sixth month of the operation of the accreditation order and before the commencement of the forty-ninth month of its operation; or during the three-month period immediately preceding the end of every third year thereafter.

Upon application for revocation of accreditation the Board must ascertain:

– the number of employees in the unit of employers on the date application was made;

– the number of employers in the unit of employers who, within the two-month period immediately preceding the date of the application, have voluntarily signified in writing that they no longer wish to be represented by the accredited employers' organization; and

– the number of unionized employees affected by the application. This is determined by examining the payrolls for the week immediately preceding the date of application. The Board may use another payroll period if it considers this to be advisable.

If the Board is satisfied:

– that a majority of the employers, the number of whose employees have been ascertained by the Board, have voluntarily signified in writing that they no longer wish to be represented by the accredited employers' organization; and
– that such majority of employers employed a majority of employees as ascertained by the Board, the Board may declare the accreditation of the employers' organization revoked.

When the accreditation is revoked, all rights, duties and obligations of the employers' organization under the Act and under any unexpired collective agreement revert to the individual employers represented by the organization.

There is also a provision forbidding agreements for the supply of labour during a legal strike or lockout.

Special Groups

Public Servants

With the abolition of the British Columbia Mediation Commission, unsettled civil service disputes are no longer referred to binding mediation. A commission appointed to inquire into civil service bargaining reported at the end of 1972.

On April 18, 1973, The Public Service Labour Relations Act was introduced but did not progress beyond first reading. Subsequently this Act was re-introduced in the British Columbia legislature and received royal assent on November 7, 1973. It repealed the former Civil Service Act.

The Act covers all public service employees except employees of Crown Corporations, the Queen's Printer, the British Columbia Energy Commission, the Insurance Corporation of British Columbia and the British Columbia Development Corporation. Also excluded from the Act are deputy or assistant deputy ministers, law officers of the Crown, officials of the court (registrars, and chief and deputy chief official court reporters), personnel officers, and persons employed for a period of less than 60 days.

The government bargaining agent is the Public Service Commission, acting on behalf of and under the direction of the Treasury Board. The employees are represented by unions certified by the Labour Relations Board. The Board is required to issue a certification where it is satisfied that a union has majority membership in a bargaining unit, and could order a vote of employees where there is between 35 and 50 per cent membership.

The Board may receive an application for certification from another union where no collective agreement has been concluded within 12 months of the original certification, or during the seventh and eighth months of a collective agreement. To be considered for certification, the challenging union must represent the majority of employees in the bargaining unit.

The Act contains union security provisions. An employee need not belong to a certified union as a condition of employment, but must join the union within 30 days of being employed.

As does the British Columbia Labour Code, this legislation contains a religious conscience section, whereby an employee who because of his religious belief is opposed to joining or belonging to a union may be exempted with Board approval from a union security clause.

Voluntary mediation and voluntary binding arbitration provisions are included in the new Act. Where a dispute exists, either party may request the Board chairman to appoint a mediator. If an agreement is still not effected, the parties may jointly request binding arbitration.

The Arbitration Board would consist of three members, one each nominated by the parties, and a chairman to be nominated by the previous two. Failing nominations by the parties, the Board would make appointments.

If the parties do not request mediation or arbitration, the union may conduct a strike vote by secret ballot. If the majority vote is in favour of strike action, a strike may take place only within the three months immediately following the vote. At least three days written notice must be given to the Civil Service Commission.

In a lockout situation, the union must be given three days written notice.

Technological change provisions have been included. "Technological change" is defined as follows:
(1) the introduction by the Government into its work, undertaking, or business, of equipment or material of a different nature or kind than previously used by the Government in the work, undertaking or business; or (2) a change in the manner, method, or procedure in which the Government carries on its work, undertaking, or business that is directly related to the introduction of that equipment or material.

These terms of reference apply to change that would significantly decrease the number of employees; but they do not include normal layoffs resulting from a decrease in the amount of work to be done.

The Government would be obliged to give the employees' bargaining agent notice of intended technological change. Bargaining regarding the intended change would then have to commence within 14 days.

If an agreement was not reached prior to the full implementation of the change, the union could apply to the Labour Relations Board to have the existing agreement terminated.

If no notice was given, the Board could, upon written application from the union or an employee, investigate and make a binding decision as to whether the alleged change would constitute a technological change.

If the Board concluded that the alleged change would be a technological change, it would have to notify the Government and the parties would be obliged to begin bargaining within 14 days. If the technological change had already occurred, and no agreement was reached within 14 days, the union could apply to the Board to have the collective agreement terminated.

Unfair labour practice provisions forbid the Government from interfering with unions or discriminating against employees engaged in lawful union activity. Also, no officer or member of a union may intimidate or coerce an employee to become a union member.

The Act establishes a five-member commission appointed by the Lieutenant Governor in Council titled the "Public Service Commission". The object of this Commission is to develop, maintain, administer and supervise the public service. In order to achieve this end, the Act specifies certain duties that are the responsibility of the Commission: to examine and establish qualifications for positions, job classifications and promotions; to sponsor, encourage and administer safety programs; to discipline, subject to regulations, an employee; and to negotiate on behalf of the Government under The Public Service Labour Relations Act.

In addition, this Act establishes a Public Service Grievance Board consisting of three members appointed by the Lieutenant Governor in Council, one of whom is a person nominated by the employees or their agents. The duties of the Board are to investigate, hear and determine grievances submitted by employees or their representative and to make general rules of procedures. All decisions or findings of the Board are final and binding.

In the federal jurisdiction, the makeup of the Public Service Staff Relations Board was altered. Formerly, the board consisted of a chairman, a vice-chairman and up to eight other members equally representing the employer and the employees. As of April 17, 1973, the Act provides for the addition of up to three deputy chairmen appointed by the Governor in Council for a term not exceeding 10 years, with the possibility of re-appointment.

A deputy chairman may exercise the powers and functions of the chairman as delegated to him by the chairman of the Board. However, if the chairman is absent, or unable to act or if the office of the chairman is vacant, then the vice-chairman shall act as chairman. Where matters are decided by the majority of those present, the deputy chairman cannot vote if the chairman or vice-chairman is present.

Teachers

On May 4, 1973, Saskatchewan gave royal assent to the new Teacher Collective Bargaining Act, which replaced the Teacher Salary Agreements Act of 1968.

The Act provides that bargaining takes place on two levels: province-wide and local.

Province-wide, the teachers are represented by a committee of four members appointed by the Saskatchewan Teachers' Federation. A committee of nine members negotiates on behalf of the school boards and the Government of Saskatchewan. Four of the nine members are appointed by the Saskatchewan School Trustees Association, and the remaining five are appointments of the Lieutenant Governor in Council. These bargaining committees negotiate matters concerning salaries, allowances for principals and vice-principals, superannuation, group life insurance and other mutually agreed matters, so long as they do not infringe upon local bargaining items.

Bargaining items on a local level between a school board committee and a local teachers committee deal with sick leave, sabbatical leave, educational leave, pay periods and special allowances. In both instances, negotiations are to commence by September 15 in the year in which a collective agreement expires (province-wide agreements are to be for a term of two years and are to expire on December 31 of the expiry year).

The Act also establishes the Educational Relations Board consisting of four members equally representative of the teachers and school boards and a chairman nominated by the four members. If a chairman is not nominated the Chief Justice of the Queen's Bench is to make the choice. This Board is to hold office for a period of four years, and members are eligible for re-appointment.

Where a dispute arises, application for mediation, arbitration and conciliation services can be made to the Board by either side of the bargaining committee. If mediation is requested, the Educational Relations Board can appoint a mediator or a team of mediators who, after attempting to settle the dispute, must report to the Board within 14 days. If an arbitration or conciliation board is requested an application in writing is to be made to the Board. If a party fails to nominate a member to one of the boards or if a chairman is not chosen within the time limit, the chairman of the Education Board makes the appointment.

By this Act, a Teacher Classification Board is continued, consisting of six members — two representatives of the trustees, two representatives of the teachers and two members, one of whom is to be chairman, appointed by the Minister of Education. This Board makes general recommendations to the Minister regarding teacher qualifications, conducts hearings, and makes binding decisions with regard to the classification of an individual teacher.

Emergency Legislation

On August 31, 1973, Parliament enacted the Maintenance of Railway Operations Act (Bill C-217) providing for the resumption of railway services. Involved in the dispute were three groups of employees — the non-operating, the shopcraft and the railway operating employees — and Canada's two major railway companies, as well as other short-line companies. By the use of selective strikes, railway operations were suspended regionally on July 26 and nationally on August 23. In addition to normal procedures of mediation and conciliation, the Minister of Labour, John Munro appointed Judge Alan B. Gold as mediator to help bring about a settlement. After all avenues of solution of the dispute were exhausted and a national strike ensued, Parliament was recalled into special session on August 29.

Bill C-217 invalidated all prior authorization to take strike action as well as forbidding the railway companies to refuse to permit any striking employee from resuming work duties. The legislation provided for the extension of all collective agreements from January 1, 1973, to the day on which any new collective agreements come into effect, or December 31, 1974, whichever is the earlier. In addition, the Act ordered all railway companies and unions to resume negotiations immediately and to make every reasonable effort to conclude a new contract. In any event, any new settlement could not expire before December 31, 1974. The Minister was empowered to appoint mediators in the reopened negotiations. In addition, the Governor in Council could, on the Minister's recommendation, appoint an arbitrator whether or not a mediator had been appointed.

Specific wage increases were made to the three employee groups in three stages extending until July 1, 1974. Any subsequent wage settlements reached through arbitration can in no way be lower than those stated in the Act.

On March 22, 1973, the Ontario Legislature passed Bill 2, which ordered an immediate end to the seven-month-old strike by the International Union of Elevator Constructors against the Canadian elevator manufacturers in Ontario. The Bill also ordered compulsory arbitration to end the dispute.

In the Alberta Labour Act, the emergency provisions are retained. If an award of a Public Emergency Tribunal is not complied with, however, the Minister may now file a copy of the award with the clerk of the Court in the judicial district in which the difference arose. When this action is taken the decision is enforceable as a judgment or order of the Court.

(The above article, written by Cal McKerral of the Department's Legislative Research Branch, is the last in the "Labour Legislation in 1973" series.)

50 YEARS AGO

The functions of investigators employed by the Ontario Mothers' Allowance Commission, and a summary of the "Dawes Report" prepared by a committee of experts appointed to enquire into fiscal conditions in Germany, were among topics discussed in the November 1924 issue of The Labour Gazette.

Mothers' Allowances in Ontario

Investigators employed by the Ontario Mothers' Allowance Commission were important as vocational guides to families receiving benefits under the Mothers' Allowance Act — assisting the adolescents in the families to secure suitable employment and advising them on their future careers. The total amount of benefits paid to these families during the year was $1,612,701, the average benefits paid to each beneficiary being about $35.50 a month. Of the total amount, $586,090 was distributed to the counties, $839,676 to the cities, $31,049 to the "separated towns," $2,810 to Indian reserves, and $153,076 to judicial districts. In most cases the cost of the allowance was met jointly by the province and the local authority. The municipality was chargeable with half the amount of the allowance if the recipient had resided within its boundaries for a year; it was necessary for all applicants to have two years continuous residence in Ontario immediately prior to the date of application. Most of the beneficiaries were satisfactory and gave good care to their children, but constant supervision of some mothers was necessary, and in a few cases the allowance was cancelled because the mother proved to be "not a fit and proper person." In the homes of the beneficiaries there were 11,791 children under 16 years of age. The allowance was not sufficient to maintain a family, and where there were no children of wage-earning age, the usual means of supplementing it was by the mother's own earnings. In the rural districts and small towns where rents were lower, the allowance was more nearly adequate than in the larger cities. In many cases the country mothers managed with very little outside employment and sometimes with none. Full-time factory and store employment was discouraged by the Commission, but part-time employment, which did not take the mothers from their homes more than charwork did, was often arranged.

Industrial Conditions and International Finance

The instability of monetary conditions that had hampered international trade since World War I was one of the "admitted" causes of unemployment and unsettled conditions in Canada in 1924. The main cause of the disturbance of international credit was generally recognized as part of the problem of reparations by Germany for the damages of war. In 1923, the Reparation Commission of the Allied Powers established an international committee of experts to inquire into fiscal conditions in Germany and their relation to the problem of reparations. The committee presented its report in May 1924. Referred to as the "Dawes Report," from the name of the president of the committee, its recommendations were approved by the Commission and were subsequently adopted by the Allied Powers and by Germany. The "Dawes plan" had been in operation since August; its effects, manifested in more stable financial conditions in Europe, were expected to influence the financial and industrial situation in Canada. There were four essential features of the "Dawes plan": a schedule of reparation payments to be made by Germany directly out of taxation and through the imposition of a mortgage debt upon German railways and industry; the separation of collections in Germany (for which the German Government was to be held responsible) from the transfer of funds aborad (to be controlled by a committee representing the Allies); the establishment of a new bank of issue to unify and stabilize German currency; and the flotation of a foreign loan intended to assist in the establishment of the bank and to enable Germany to meet her most urgent immediate obligations. The transfer fund committee pointed out that, although the plan did not "attempt a solution of the whole reparation problem it foreshadowed a settlement intended in its application for a sufficient time to restore confidence, and at the same time so framed as to facilitate a final and comprehensive agreement as to all the problems of reparation and connected questions as soon as circumstances make this possible." The first four years of the operation of the plan were regarded as a period of recuperation and transition, with a gradual increase of payments to the fifth year, when the amount to be paid reached a standard total. During the first two years no payments were to be made out of ordinary budget receipts, but during the following years payments from the source were made progressively, so that in the standard year the budget furnished one half of the total payments.

forum

End the Disruption

"There is a growing public doubt as to whether the traditional system of collective bargaining is still the right way to go about sharing the productive output of the Canadian economy. The strikes that nobody wants are too often an inevitable part of the process of reaching a settlement. In the public services and essential industries particularly, their damaging effect increasingly amounts to relatively small numbers of strategically-placed workers holding a gun at society's head to achieve their demands...The power of organized labor, both economic and political, is growing steadily in Canada...The unions generally do an effective job in protecting the rights and interests of their members. With increasing power, however, comes broader responsibility to be concerned for the rights and well-being of the unorganized two thirds of workers and society as a whole. Organized labor is eternally vigilant against proposals to curtail the right of unions to call strikes. It is a lot less eager to help devise ways of negotiating industrial disputes that would have a better chance of reaching settlements without the need to resort to strikes...Labor should be aware that the public, including many trade unionists, is becoming increasingly impatient with the inconvenience and hardship brought by one strike after another...There will be a growing demand for laws to put an end to industrial disruption. Legislation of this kind will harm the unions and it is not in the long-term interests of a free Canadian society. But it will be difficult for governments and politicians to resist the demand for action against repeated strikes. Labor statesmanship could help head it off by showing a more positive concern for strikes as a serious social problem in themselves, rather than as labor's principal weapon in negotiation." Editorial, *The Toronto Star,* September 2, 1974.

Unnecessary Depression

More than half the American people think there's going to be a depression as bad as, or worse than, the depression of the 1930s...What the United States (and Canada) needs is some old ideas such as thrift; work; self-reliance; loyalty to the job, the product, and the company. These things are out of style, as I know well; to speak or write of loyalty to one's employer is to evoke gales of incredulous laughter. But (to take one example) that's what made Eaton's big, and that's what keeps it getting bigger...Would it hurt American workers to put in nine hours a day instead of eight? To put in six, or 5 1/2 days instead of five? To accept what pay cuts might be necessary in order to make American goods once again competitive in domestic and world markets? Would it hurt them to eat less, to drive less, spend less, waste less? Would the old New England saying, 'Eat it up, wear it out, make it do' be considered un-American today?...It seems to be that the depression Canada and the States are entering is the unnecessary depression... We can get back to prosperity... by very simple methods and attitudes. But perhaps our political and governmental processes have become so complicated, so all-embracing, that simple things cannot be accomplished in or by or with them — or indeed despite them. Perhaps we've created a set-up where it just isn't possible to have more people working, and each producing more. Perhaps we've created a set-up where it just isn't possible for governments to spend less, or to stop printing money. If so, I'd say that the coming depression is going to be a very nasty one, indeed." Richard J. Needham, *The Globe and Mail,* September 4, 1974.

Stagflation

"Canadians who have seen the value of their savings eroded by inflation must now also worry if there are any prospects for a bigger pay cheque, or whether they'll be collecting one at all. That's the sad message out of the news that the Canadian economy has stopped growing while prices continue to rise. This ominous state is a modern phenomenon called stagflation. It means real economic growth, in terms of new factories and expanded business, has stopped. The new business investment that our leaders assured us would keep the economy healthy this year is drying up. Since the labor force continues to grow, unemployment goes up. Meanwhile, prices keep rising at a dizzying rate...What all this spells out is that Ottawa's policies, which have been insufficient to check

inflation, are also unable to sustain economic growth. Canadians who so recently put their faith in a majority Liberal government are entitled to wonder what their leaders intend to do about this worst of all economic worlds. Our national governmen-t...seems paralyzed... Not that there is any magic panacea to be found. No matter what policies experts urge, all agree the best that can be hoped for in the short-term is to moderate the rate of inflation while setting long-term goals. But to solve the basic problem facing any country is a state of stag-flation — how best to divide available prosperity while getting the economy moving again — a lot of discussion is needed to win the necessary consensus. To achieve this requires Ottawa's leadership, not a vacuum. A majority we may have elected, but it was to govern, not to abdicate." Editorial, *The Toronto Star,* August 31, 1974.

Fear in Britain

"The fact is,' said a top banker, 'politics and the good government of this country are no longer compatible. If we had a society under control and inflation gripped, the pain of going back to the norm would be very small. At the moment, the pain would be too great for any politician to sell. Therefore, you have a situation where whoever is running the country can't do what's got to be done. We are uncomfortably near a major breakdown of our society.' There is no doubt that great waves of fear have passed over much of Britain's business establishment. Many of the shrewdest and sanest of Britain's industrial leaders have a genuine dread of what the future holds, not only for the system to which they belong, but also for freedom and democracy as they know it. A country-wide survey to determine the hopes and fears of the British people revealed a nation that senses instinctively that it could be on the brink of one of the greatest social and economic upheavals in history; a nation afraid that it is careering along out of control, going it knows not where; a nation that feels split from top to bottom as never before and longs to find a comfortable middle road ahead...'A social revolution is coming, whether we like it or not,' said a Rotherfield parish councillor. 'Class as we know it will disappear, and quite rightly so. The working man will become much more powerful, he'll demand his proper place in the scheme of things and he'll take a great deal more interest in the power he has. In other words, we're getting a new aristocracy." A *London Daily Telegraph* survey in *The Toronto Star,* August 24, 1974.

One Statistic

One statistic doesn't tell the whole economic story, but August 22 Statistics Canada released the latest report on washing machine sales, which tell part of the story. In June of this year, 25,242 automatic washing machines were sold in Canada, down from 34,-668 in June, 1973. But old-fashioned, conventional washing machines were in more demand this year than last. In June of this year, 11,584 conventional washing machines were sold, compared with 10,087 last year in the same month. Electric clothes dryer sales were also lower this June than last year, declining from 25,541 to 21,-169. Could the relatively fine weather this summer have something to do with the sales slump in automatic washers? Or is it simply that Canadian housewives are going back to the scrubbing board and clothes lines of the past." The Citizen, Ottawa, August 26, 1974.

Deter Lawbreakers

"Are Canadians to be betrayed by governments which do not have the courage to define essential industries — in both the public and private sectors — pass laws forbidding strikes or lockouts in these industries, and enforce the law with penalties severe enough to deter most lawbreakers and make those who do break the law wish they hadn't? We do not suggest that the law should be unfair to workers or to companies. There should be very thorough debate to determine which industries are essential. The law forbidding strikes and lockouts should be written to ensure just settlements without use of strike or lockout weapons. This does not mean arbitration as we now know it. Debate would be necessary to determine what it does mean. A couple of suggestions: settlements in restricted industries could be tied to the average of settlements reached by strong unions in negotiating with strong companies where strikes and lockouts are allowed; independent ombudsmen could be appointed to police contracts to prevent a pile-up of grievances. The point is that the present system of permitting strikes and lockouts in essential industries allows a comparative handful of workers to victimize thousands, millions of the public...The public has suffered many of these strikes and is grown bitterly angry...Political sense should direct governments to act, even if duty does not. Particularly because if they don't act soon, it will be too late." Editorial, *The Globe and Mail,* August 26, 1974.

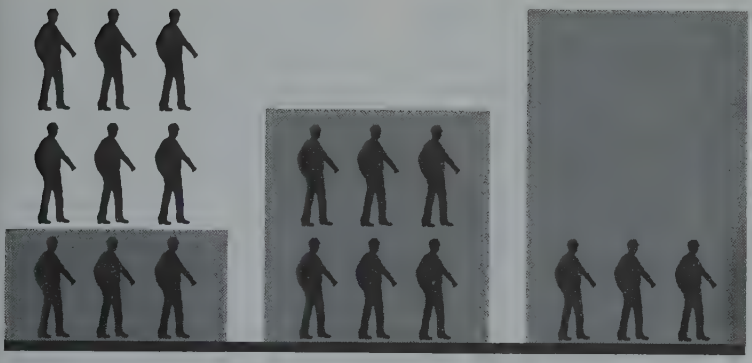
Feeding Inflation

"The way the federal government is handling the West Coast grain-handlers wage dispute is setting the stage for another round of price increases in Canada. Ottawa is trying to bulldoze four grain companies into granting a wage increase of 40 or 50 per cent. If it succeeds, it will be an open invitation to every union to escalate its demands to meet this government-sanctioned figure. And inevitably this must lead to more inflation pushed up by higher costs. Ottawa is upset because the grain handlers have gone on a work slowdown in their efforts to win a new contract with the grain companies...The federal government is leaning on the companies to accept

the recommendations of a federal conciliator, which have already been accepted by the union. Government sources are suggesting that Parliament will be recalled to impose the settlement...The present urgency, which should be uppermost in the federal government's mind, is the need to stem inflation. A government-sanctioned wage increase of 45 or 50 per cent is bound to have precisely the opposite effect. One answer might be a one-year agreement. This would give Ottawa time to study the industry — time they didn't take, it seems, on this occasion. Most important, it would give the government and everyone else another chance to make up their mind to fight inflation rather than yield to it." Editorial, *The Toronto Star,* August 24, 1974.

Messages

"This being Labour Day, everybody seems to be giving messages to labour and labour giving messages to everybody... Now, my message to labour would be to pause for a while, take stock of its blessings, and stop pushing the public around so much. Because the public is getting mighty sick and tired of it all. In fact, if we had our own union, most of us would probably go on strike against both labour and management...Boy, do we have grievances... While labour and management wrangle and wrestle in a game at which both sides have become quite adept, the people who are most severely affected by it all look on helplessly, knowing they can't win no matter what happens...Strike, higher wages and then higher costs, followed by another strike to get higher wages and then higher costs, followed by another strike... and to the devil with the poor individual who can't hop on and off this madly revolving merry-go-round because he has no union to give him strike pay or argue for him... Not that unions should be prevented from carrying on legitimate negotiations with management to improve, in a reasonable way, the lot of the worker. Over the years, the labour movement has brought about tremendous benefits in the lives of many men and women...But for the most part, those days are now far behind us. The labour movement is now solidly established and no unionized group is any longer in great danger of being severely put upon by its employer...If the unions want to remain in such a firm position, then they must begin to weigh much more thoughtfully their demands, and the effect upon the public of the strike that follows when these demands are not met. Surely public sympathy and good will are still important to the unions — or are they?...We are getting awfully tired of always being the losers, and if I were a union leader, I'd take serious note of this deep and growing discontent." Bruce West, The *Globe and Mail,* September 2, 1974.



PRICES & EMPLOYMENT

Consumer, August

The consumer price index (1961 = 100) rose 1.0 per cent, to 169.6 in August from 168.0 in July, and was 10.8 per cent above its level of a year ago. Increases were recorded for all major components, but most of the latest month's advance was due to rises of 1.4 per cent in the food index and 0.9 per cent in housing. The transportation index increased 0.6 per cent and that for recreation, education and reading rose 1.0 per cent. The health and personal care element advanced 1.5 per cent, clothing prices 0.5 per cent and tobacco and alcohol 0.8 per cent. In the latest month, the price level for all items other than food rose 0.8 per cent.

Food

The food index advanced 1.4 per cent, to 192.8 in August from 190.2 in July, as the price level for restaurant food rose 1.6 per cent and home-consumed food prices increased 1.4 per cent – about one-half the average rate of increase between these two months since 1971. Most major components in the food-at-home index rose during the latest month, except that for fresh vegetables, which declined 18.4 per cent – mainly because of price decreases of more than 30 per cent for potatoes and lettuce and a reduction of more than 10 per cent in the price of tomatoes and cabbage. Fresh fruit prices, on average, rose 3.5 per cent, and were 13 per cent about their August 1973 level. Processed fruit and vegetable prices continued to rise and were about 20 per cent higher than a year ago. Pork prices advanced 8.8 per cent in August and beef 4.2 per cent; the poultry index declined 0.3 per cent. All pork and most beef items registered increases, except hamburger, which decreased in price for the sixth consecutive month to a level about 17 per cent below its peak of February 1974, and 8.5 per cent lower than a year ago. Compared with August 1973, beef prices rose 7.7 per cent and poultry, 3.8 per cent; the pork index was 6.5 per cent below its level of a year ago. Egg prices were relatively stable in the latest month, retailing 1.1 per cent below their level of a year ago. The cereal and bakery products index rose 1.5 per cent in August; dairy products recorded a rise of 0.6 per cent, and the fats and oils component increased 0.1 per cent.

The sugar index continued to advance, rising 12.6 per cent in the latest month to a level approximately 160 per cent above that of a year earlier. Various sugar-related products – chocolate bars, jelly powders and jam – registered important advances, and price increases were recorded for beverages and most frozen and convenience food items. Between August 1973 and August 1974, the total food index advanced 14.3 per cent – the price of food consumed at home rising 13.2 per cent and that for food consumed away from home, 20.2 per cent.

Housing

The housing index rose 0.9 per cent, to 168.0 in August from 166.5 in July, and was 9.4 per cent higher than in August 1973. Within the shelter element, ownership costs advanced 1.4 per cent reflecting increases in the indexes for new houses, mortgage interest and repairs; rents increased 0.3 per cent. Among household operation items, the electricity index rose because of markedly higher rates in British Columbia. Higher prices were recorded also for furniture, floor coverings, linens, dishes and most household supplies.

Clothing

The clothing index advanced 0.5 per cent, to 153.3 in August from 152.5 in July, and was 10.8 per cent above its level of a year ago. This increase, due to price increases for most items surveyed, contrasted with August movements in recent years when either declines or marginal increases were recorded. The women's wear component, advancing 0.8 per cent, was a major contributor to the increase; there was a rise of 0.8 per cent in the children's wear element and of 0.3 per cent in that for men's wear. The footwear and piece goods indexes each rose 0.4 per cent. The clothing index was 10.8 per cent above its level of August 1973.

Transportation

The transportation index rose 0.6 per cent, to 153.3 in August from 152.4 in July. New car prices, which advanced 0.9 per cent, and air fares, which advanced 6.4 per cent, were mainly responsible for this increase. Taxi fares and automobile insurance rates increased in some centres; the gasoline index declined 0.4 per cent. The transportation index was 10.5 per cent higher than a year ago.

Health and personal care

The health and personal care index advanced 1.5 per cent to 172.4 in August from 169.9 in July. More than half of this increase was because of higher prices for men's haircuts and women's hairdressing in several major cities. Personal care supplies increased 1.4 per cent and pharmaceutical, 0.9 per cent. The health and personal care index was 9.5 per cent higher than in August 1973.

Recreation, education and reading

The recreation, education and reading index advanced 1.0 per cent, to 162.0 in August from 160.4 in July, and was 10.3 per cent above its level of a year ago. Admission prices to football games and movies accounted for more than three quarters of the increase. Among other recreation items, price increases were registered for camera film and processing, and for pet food.

Tobacco and alcohol

The tobacco and alcohol index advanced 0.8 per cent, to 145.0 in August from 143.9 in July, with most of the increase due to higher prices for home-consumed liquor and wine in Ontario. In the latest 12 months, the tobacco and alcohol index rose 6.2 per cent.

Consumer price movements, reclassified by goods and services, give another view of the incidence of price change. The total goods index advanced 0.9 per cent in August with the main impetus coming from non-durable goods, which rose 1.1 per cent primarily because of higher prices for food, alcoholic beverages and health and personal care supplies. The indexes for durable goods and for semi-durable goods both rose 0.6 per cent, the former mainly because of higher automobile and furniture prices and the latter because of higher quotations for clothing and household furnishings. A rise of 1.1 per cent was recorded in the services indexes. Most components recorded advances, but the major contributors were the shelter, recreation and transportation elements. In the latest 12 months, the index for total goods advanced 12.2 per cent and for services 8.6 per cent.

City consumer, August

Consumer price indexes rose in all regional cities and city combinations in August: increases ranged from 0.2 per cent in Halifax to 1.3 per cent in Thunder Bay and Vancouver. Food indexes advanced in all cities, with increases for beef, pork, dairy, bakery and cereal products, fresh fruit, beverages and restaurant food. Prices were lower in most cities for fresh vegetables, poultry and eggs. Housing components rose in all centres because of increased shelter costs and higher prices for furniture, floor coverings and household supplies. Clothing indexes rose in nine cities and city combinations and declined in three; prices were generally higher for footwear, women's lingerie, men's underwear and children's wear. Transportation components increased in all cities except Halifax with higher prices recorded for new cars and air fares. Health and personal care indexes rose in all cities on increased prices for men's haircuts and women's hairdressing, pharmaceuticals and personal care supplies. Recreation, education and reading components advanced in all cities, primarily because of higher admission charges to movies and sporting events and increased prices for camera film, including processing. Tobacco and alcohol indexes registered mixed movements.

Wholesale, July

The general wholesale price index (1935-39 = 100) rose 2.2 per cent in July, to 462.5 from 452.5 in June, and was 23.2 per cent above the July 1973 level. There were increases in all eight major group indexes. The wood products group index advanced 4.4 per cent in July, to 583.0 from 558.2 in June. Wood pulp prices increased 13.2 per cent during the month and were 63.0 per cent higher than in July 1973. Price increases for sulphur, tumblers and coke were responsible for the advance of 2.8 per cent (to 342.2 from 332.9) for non-metallic minerals.

The animal products group rose 2.6 per cent, to 497.2 from 484.6, on price increases for cured meats, livestock and hides and skins. There was a 2.4 per cent increase in the vegetable products group, to 464.2 from 453.3, because of higher prices for vegetable oil products, grains and canned fruits.

Chemical products advanced 1.9 per cent, to 322.0 from 316.0; iron products 0.9 per cent, to 448.2 from 444.1; textile products 0.4 per cent, to 428.8 from 427.3; and non-ferrous metals 0.1 per cent, to 428.7 from 428.3.

Employment, August

The seasonally adjusted employment level increased by an estimated 83,000 to 9,248,000 at the week ended August 17, from 9,165,000 in July, Statistics Canada reported. For persons 14-24 years of age, employment

rose by 25,000 to 2,437,000. The increase for men age 25 years and over was 29,000 and for women in that age group, 28,000. Full-time employment rose for men by 14,000 and for women by 42,000. Part-time employment increased for men by 36,000 and declined for women by 24,000. Provincially, the employment level advanced substantially in Ontario, and in Quebec, Alberta and Newfoundland. It declined moderately in Manitoba, Saskatchewan and British Columbia. There was little change in New Brunswick, Nova Scotia and Prince Edward Island.

Unemployment

The seasonally adjusted unemployment level increased by 30,000 to 522,000 from 492,000 in July. The level for persons age 14-24 years advanced 16,000 to 254,000 and for persons age 25 years and over, it rose by 18,000 to 270,000. By duration, unemployment for three months or less increased by 33,000 to 369,000, and for four months or more it decreased by 3,000 to 152,000. Provincially, the unemployment level was unchanged in Saskatchewan and Alberta, declined in New Brunswick, and increased in the other provinces.

Unemployment rates

The seasonally adjusted unemployment rate for Canada increased by 0.2 to 5.3 in August. The rate for persons 25 years of age and over rose by 0.2 per cent to 3.8, and for persons age 14-24 it advanced by 0.4 to 9.4.

Provincially, the rate increased 0.7 to 17.6 in Newfoundland, 0.9 to 7.0 in Nova Scotia, 0.1 to 6.8 in Quebec, 0.4 to 4.4 in Ontario, 1.0 to 2.9 in Manitoba and 0.4 to 6.5 in British Columbia. New Brunswick registered a decline of 1.8 to 7.3. Saskatchewan, at 2.2, and Alberta, at 2.7, were unchanged.

Participation rates

The seasonally adjusted national participation rate advanced by 0.8 to 58.9 in August. For persons age 14-24, the rate increased by 1.1 to 56.2, and for persons 25 years of age and over, the increase was 0.4 to 59.6. The rate for British Columbia was unchanged. New Brunswick, Manitoba and Saskatchewan showed declines; the remaining provinces recorded increases.

Actual data

The labour force (unadjusted for seasonality) was estimated at 10,152,000 persons in August, of whom 9,705,000 were employed and 447,000 were unemployed. The national unemployment rate was 4.4 and the participation rate was 61.1.

Student data

The unadjusted unemployment rate for students age 14-24 years was 3.7 in August 1974, compared with 3.7 in August 1973 and 5.6 in August 1972. The individual participation rates were 47.4, 43.3 and 41.3.

During August the Minister of Labour appointed Conciliation Officers to deal with the following disputes:

CJRB Radio Limited and CJBR-TV Limited, Rimouski, Que., and National Association of Broadcast Employees and Technicians (Conciliation Officer: G. R. Doucet).

Freshwater Fish Marketing Corporation, Winnipeg, Man., and Retail, Wholesale and Department Store Union, Local 561 (Conciliation Officer: H. A. Fisher).

Motor Transport Industrial Relations Bureau of Ontario, Inc. (representing certain member companies within federal jurisdiction) and Teamsters Locals 91, 141, 879, 880 and 938 (representing drivers and maintenance employees) (Conciliation Officer: T. B. McRae).

Brunterm Limited, Saint John, N.B., and International Longshoremen's Association, Local 1764 (Conciliation Officer: C. A. Ogden).

Radio Ste-Agathe Inc., Ste-Agathe-des-Monts, Que., and Le Syndicat général des communications (CSN) (Conciliation Officer: S. T. Payne).

Central Mortgage and Housing Corporation, Ottawa, Ont., and Public Service Alliance of Canada (representing a unit of service employees) (Conciliation Officer: K. Hulse).

Four Seasons Radio Ltd., Kelowna, B.C., and Association of Commercial and Technical Employees', Local 1707 (CLC) (Conciliation Officer: A. A. Franklin).

Essex Terminal Railway Company, Windsor, Ont., and Teamsters, Chauffeurs, Warehousemen and Helpers, Local 880 (Conciliation Officer: H. A. Fisher).

Settlements by conciliation officers. United Press International of Canada Ltd., and Canadian Wire Service Guild, Local 213, the American Newspaper Guild (Conciliation Officer: G. R. Doucet; reassigned to J. J. de Gaspé Loranger) (LG, Oct., p.743).

Canadian Pacific Air Lines Limited, Vancouver, B.C., and Hotel and Restaurant Employees and Bartenders Union, Local 16 (Conciliation Officers: D. H. Cameron and G. W. Rogers) (LG, Oct., p.743).

Zenith Transport Limited, Burnaby, B.C., and General Truck Drivers and Helpers, Local 31 (settled in direct negotiations prior to commencement of conciliation officers' meetings) (LG, Oct., p.743).

Pacific Western Airlines, Vancouver, B.C., and International Association of Machinists and Aerospace Workers, Lodges 1500 and 1681 (representing a unit of employees classified as loadmasters) (settled in direct negotiations prior to commencement of conciliation officers' meetings) (LG, Oct., p.743).

Robin Hood Multifoods Limited, Montréal, Que., and National Union of Operating Engineers of Canada, Local 14850, Métallurgistes Unis d'Amerique (Conciliation Officer: J. J. de Gaspé Loranger) (LG, Sept., p.667).

Aeronaves De Mexico (Toronto and Montreal International Airports) and International Association of Machinists and Aerospace Workers, Lodge 2413 (settled in post-conciliation officer negotiations).

Midland Superior Express Ltd., Vancouver, B.C., and General Truck Drivers and Helpers, Local 31 (Conciliation Officer: D. H. Cameron) (LG, Aug., p.583).

Disputes in which there was no further conciliatory action under Canada Labour Code (Part V — Industrial Relations). Aero-club de Montréal, St. Hubert, Que., and le Syndicat des employés de l'Aero-club de Montréal (Montreal Flying Club) (CSN) (Conciliation Officer: G.R. Doucet) (LG, Oct., p.743).

Conciliation commissioner appointments. Trailways (Travelways) of Canada Limited, Thornhill, Ont., and Canadian Brotherhood of Railway, Transport and General Workers (representing a unit of bus drivers working in and out of Georgetown, Ont.,) (Conciliation Commissioner: George S. P. Ferguson, Q.C.) (LG, Oct., p.743).

Island Airlines Limited, Campbell River, B.C., and Canadian Brotherhood of Railway, Transport and General Workers (representing a unit of ground personnel) (Conciliation Commissioner: R. G. Clements) (LG, Aug., p.583).

Air Canada and Canadian Air Lines Pilots Association (Conciliation Commissioner: Stanley H. Harrt) (LG, Aug., p.583).

Conciliation comissioner reports received. ITT Canada Limited (Technical and Support Services Division, Ottawa, Ont.) and International Brotherhood of Electrical Workers, Local 2228 (Conciliation Commissioner: Judge J. C. Anderson) (LG, Oct., p.744).

Nordair Limited, Montréal International Airport and International Association of Machinists and Aerospace Workers, Lodge 2309 (representing employees of the Maintenance, Traffic, Operations and Stores Division) (Conciliation Commissioner: Pierre Dufresne) (LG, Oct., p.744).

Alaska Trainship Corporation, New Westminister, B.C., and Seafarers' International Union of Canada (Conciliation Commissioner: Prof. Joseph C. Smith) (LG, Sept., p.668).

Conciliation commissioner settlements. Allied Aviation Service Company of Newfoundland, Limited, Gander, Nfld., and International Association of Machinists and Aerospace Workers; Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees (Conciliation Commissioner: Lorne O. Clarke, Q.C.) (LG, Oct., p.744).

Kenwood's Moving and Storage Limited, Montréal, Que., and Cartage and Miscellaneous Employees' Union, Local 931 (Conciliation Commissioner: Judge Maynard B. Golt) (LG, June, p.444).

Northland Navigation Co. Ltd., and Northland Shipping (1962) Co. Ltd., Vancouver, B.C., and Canadian Merchant Service Guild (Conciliation Commissioner: Prof. Joseph C. Smith) (LG, Sept., p.668).

Disputes settled in post-conciliation commissioner negotiations. Nordair Limited, Montréal International Airport and International Association of Machinists and Aerospace Workers, Lodge 2309 (representing employees of the Maintenance, Traffic, Operations and Stores Division) (see above).

Alaska Trainship Corporation, New Westminister, B.C., and Seafarers' International Union of Canada (see above).

Canadian Freightways Limited, Calgary, Alta., Loiselle Transport Limited, Vancouver, B.C., and Millar and Brown Limited, Cranbrook, B.C., and Teamsters Locals 31, 213, 362, 979 and 395 (settled with the mediation assistance of D. H. Cameron) (LG, Oct., p.744).

Alttrans Express Ltd., Burnaby, B.C., and Teamsters Locals 362, 213, 979 and 31 (LG, Oct., p.744).

Appointment of mediators under Sec. 195 of the Canada Labour Code. Canadian Lake Carriers Association, Montréal, Que., (representing certain member shipping companies) and Canadian Merchant Service Guild (Mediators: C. E. Poirier and T. B. McRae) (LG, Oct., p.744).

Canadian Lake Carriers Association, Montréal, Que., and Canadian Marine Officers Union (Mediators: C. E. Poirier and T. B. McRae) (LG, Oct., p.744).

Strike action following the appointment of mediators under Sec. 195 of the Canada Labour Code. Canadian Lake Carriers Association, Montréal, Que., (representing certain member shipping companies) and Canadian Merchant Service Guild (strike commenced on August 8, 1974) (see above).

Canadian Lake Carriers Association, Montréal, Que., and Canadian Marine Officers Union (strike action commenced August 8, 1974) (see above).

Additions to the Library

LIST NO. 307

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly if there is no local library. Please indicate the publication numeral and the month listed, when requesting loans.

Arbitration, Industrial

1. Goldblatt, Howard. Justice delayed: the arbitration process; a statistical study prepared for the Labour Council of Metropolitan Toronto, by Howard Goldblatt. Data collected by Howard Goldblatt [and others. Toronto, Labour Council of Metropolitan Toronto, 1974?] 52p.

2. Ontario. Ministry of Labour. Research Library. Industrial arbitration in Canada, 1965-1973; a selective bibliography compiled by Douglas Armstrong and Marian Dworaczek. [Toronto] 1974. 8p.

3. U.S. National Commission for Industrial Peace. Report and recommendations. [Washington] Executive Office of the President, 1974. 15p.

Blacks

4. Black community profile; a survey of the Black population of New Glasgow, Nova Scotia, summer 1973. Research conducted by: Bette Skinner, Co-ordinator, [and others] Consultant: Michael J. Marentette. Sponsored by the Nova Scotia Human Rights Commission. [Halifax, Nova Scotia Human Rights Commission, 1974?] 63p.

5. Henry, Frances. Forgotten Canadians, the blacks of Nova Scotia. [Don Mills, Ont.] Longman Canada [c1973] 215p.

Certification

6. Finkelman, Jacob. The rationale in establishing bargaining units in the federal Public Service of Canada. Kingston, Ont., Industrial Relations Centre, Queen's University, 1974. 36p.

Civil Rights

7. Brooks, Thomas R. Walls come tumbling down: a history of the civil rights movement, 1940-1970. Englewood Cliffs, N.J., Prentice-Hall [1974] 309p.

Collective Agreements

8. Québec (Province). Ministère du travail et de la main-d'oeuvre. Service de la recherche. Analyse des conventions; industries diverses du bois. [Québec] 1973. 51p.

Collective Bargaining

9. Duryea, Edwin D. Faculty unions and collective bargaining [by] E.D. Duryea, Robert S. Fisk, and associates. [1st ed.] San Francisco, Jossey-Bass Publishers, 1973. 236p.

Corporations

10. Conference Board. Planning and the corporate planning director, by James K. Brown and Rochelle O'Connor. [New York, 1974] 94p.

11. Cumming, Peter A. Proposals for a new not-for profit corporations law for Canada. [Ottawa, Information Canada, 1974] 2 v. Title in French: Propositions pour un nouveau droit des corporations canadiennes sans but lucratif.

12. Labour Party (Great Britain). Industrial Policy Sub-Committee. Working Group on Company Law. The community and the company; reform of company law; report of a Working Group of the Labour Party Industrial Policy Sub-Committee. London [1974] [36]p.

Economic Conditions

13. Conference Board. Canadian Office. The economic outlook and supply shortages; Canadian Economic Forum, Ottawa, April 1974. Ottawa, 1974. 100p.

14. Manitoba. Department of Industry and Commerce The economy of the Province of Manitoba, 1973. [Winnipeg, 1974?] 56p.

15. U.S. Congress. Joint Economic Committee. The 1973 midyear review of the economy. Hearings, Ninety-third Congress, first session. Washington, GPO., 1974. 393p.

Economic Policy

16. Gordon, Robert Aaron. Economic instability and growth: the American record. New York, Harper & Row [1974] 216p.

Economics

17. Rohrlich, George Friedrich. Social economics: concepts and perspectives. [Patrington, Eng.] Published by Emmasglen Ltd. for the International Institute of Social Economics, 1974. 30p.

Economists

18. Kerman, Cynthia Earl. Creative tension; the life and thought of Kenneth Boulding. Ann Arbor, University of Michigan Press [1974] 380p.

Employees' Representation in Management

19. Bow Group. Employee participation in British companies; an examination of all levels of employee participation in industry. London, Bow Publications, 1973. 44p.

Employment Statistics

20. Nova Scotia. Department of Labour. Economics and Research Division. Selected labour statistics for Nova Scotia. October 1, 1972 — March 31, 1973. Halifax, 1973. 84p.

Family

21. U.S. Congress. Senate. Committee on Labor and Public Welfare. Subcommittee on Children and Youth. American families: trends and pressures, 1973. Hearings, Ninety-third Congress, first session... September 24, 25 and 26, 1973. Washington, GPO., 1974. 451p.

Hours of Labour

22. Glickman, Albert Seymour. Changing schedules of work: patterns and implications; final report [by] Albert S. Glickman [and] Zenia H. Brown. Washington, American Institutes for Research, 1973. 116p.

Industrial Disputes

23. Morris, Margaret. The British General Strike, 1926. [London] Historical Association, 1973. 40p.

Industrial Relations

24. Caribbean Regional Seminar on Labour Relations, Port-of-Spain, 1973. Labour relations in the Caribbean region; record of proceedings of, and documents submitted to, a Caribbean Regional Seminar on Labour Relations, Port-of-Spain, March 1973. Geneva, International Labour Office, 1974. 205p.

25. Conference on Labor, New York University. 25th, 1972. Proceedings, New York, Matthew Bender [1973] 238p.

26. Conference on Labor, New York University. 26th, 1973. Proceedings. Editors: Emanual Stein [and] S. Theodore Reiner. New York, Matthew Bender [1974] 354p.

27. Joint Conference on Industrial Relations. 8th, Charlottetown, P.E.I., 1974. Eighth joint conference ...Charlottetown, P.E.I., February 21, 1974. Conference theme: Are people important? [Ottawa] Union-Management Services Branch, Canada Department of Labour, 1974. 100p.

28. Labour-Management Relations Program, Niagara Falls, Ont., 1973. Union-management relations program-...Niagara Falls, Ontario, September 20, 1973. Theme: the impact of union-management relations on the community. [Ottawa] Union-Management Services Branch, Canada Department of Labour [1974] 107p.

Inflation

29. A new look at inflation; economic policy in the early 1970s [by] Phillip Cagan [and others] Washington, American Enterprise Institute for Public Policy Research [1973] 172p.

Job Security

30. Commission on Academic Tenure in Higher Education. Faculty tenure; a report and recommendations. William R. Keast, chairman; John W. Macy, Jr., cochairman. [1st ed.] San Francisco, Jossey-Bass Publishers, 1973. 276p.

31. Smith, Bardwell L. The tenure debate [by] Bardwell L. Smith and associates. [1st ed.] San Francisco, Jossey-Bass, 1973. 254p.

Labour Laws and Legislation

32. Canada. Department of Labour. Legislative Research Branch. Developments in the enactment and administration of labour laws in Canada; a report prepared for the annual conference of the Canadian Association of Administrators of Labour Legislation. July 1971 — May 1972. Ottawa, 1972. 87p.

33. Greenman, Russell L. Personnel administration and the law, by Russell L. Greenman and Eric J. Schmertz. Washington, Bureau of National Affairs [1972] 365p.

34. Simpson, Robert Cecil. Industrial relations and the 1971 Act [by] R.C. Simpson and John Wood. [London] Pitman [1973] 393p.

Labour Leaders

35. Walker, Samuel Emlen. Terence V. Powderly, "Labor mayor": workingmen's politics in Scranton, Pennsylvania, 1870-1884. Ann Arbor, University Microfilms, 1974. 306p.

Labour Supply

36. Québec (Province). Conseil de main-d'oeuvre de la Forêt. Etudes sur la pénurie de travailleurs forestiers au Québec. [Québec, 1973?] 69p.

Labour Unions

37. Billings, Richard N. Power to the public worker [by] Richard N. Billings [and] John Greenya. Washington, Robert B. Luce [1974] 224p.

38. IPLO Quarterly. Professional librarians in unions. Toronto, Institute of Professional Librarians of Ontario, 1974. p.69-116. Contents. — Unions: a view from the literature, by Cynthia Teitelman.—C.U.P.E. views library unions, by Ernie Parker.—Professionals form a union, by Joanna B. Curtis.—Management views library unions, by Duncan D. Rand.—A personal view of library unions, by Jennifer Arbuckle.

39. Robinson, Jerald Francis. The development and economics of firefighter and police unionism: a comparative study. Ann Arbor, University Microfilms, 1974. 313p.

Legal Services

40. U.S. Congress. Senate. Committee on Labor and Public Welfare. Subcommittee on Labor. Legislative history of joint labor-management trust funds for legal services, Public law 93-95, S1423. Washington, GPO, 1974. 151p.

Management

41. Koontz, Harold. Essentials of management [by] Harold Koontz [and] Cyril O'Donnell. New York, McGraw-Hill [1974] 482p.

Manpower Policy

42. The localization of Federal manpower planning. Edited by Robert L. Aronson. Ithaca, New York State School of Industrial and Labor Relations, Cornell University, 1973. 102p.

43. Organization for Economic Cooperation and Development. Manpower policy in Germany. [Paris, 1974] 163p.

Maritime Law

44. Logan, R.M. Canada, the United States, and the Third Law of the Sea Conference. [Montreal] Canadian-American Committee [1974] 122p.

New Democratic Party

45. Morton, Desmond. NDP; the dream of power. Toronto, Hakkert, 1974. 181p.

Part-Time Employment

46. Australia. Women's Bureau. Part-time employment. Melbourne, 1974. 35p.

Pensions

47. U.S. Congress. Joint Committee on Internal Revenue Taxation. Summary of testimony on proposals for private pension plan reform at the 1973 public hearings on the general subject of tax reform held by the Committee on Ways and Means. October 1, 1973. Washington, GPO, 1973. 39p.

Poverty

48. Wedderburn, Dorothy, ed. Poverty, inequality and class structure. [London] Cambridge University Press [1974] 247p.

Prices

49. Canada. Food Prices Review Board. Food company profits and food prices. [Ottawa] 1974. 33,34p. Title in French: Les profits des sociétés d'alimentation et les prix des aliments.

Social Security

50. Kewley, Thomas Henry. Social security in Australia, 1900-72. [2d ed. Sydney] Sydney University Press [1973] 586p.

51. McInnes, Ronald W. Welfare legislation and benefit plans in Canada. [Toronto] Law Society of Upper Canada [1974] 270p.

Transportation

52. Lieb, Robert Clarence. Labor in the transportation industries. New York, Praeger [1974] 125p.

53. Purdy, Harry Leslie. Transport competition and public policy in Canada. Vancouver, University of British Columbia Press [1972] 327p.

Universities and Colleges

54. Carnegie Commission on Higher Education. Governance of higher education: six priority problems; a report and recommendations. New York, McGraw-Hill, 1973. 249p.

Wage Differentials

55. Bowey, Angela. Job and pay comparisons: how to identify similar jobs in different companies and compare their rates of pay [by] Angela Bowey & Tom Lupton. [Epping, Eng.] Gower Press, 1973. 96p.

Wage Policies

56. Askin, Allan Bradley. Econometric wage and price models; assessing the impact of the Economic Stabilization Program [by] A. Bradley Askin [and] John Kraft. Lexington, Mass., Lexington Books [1974] 152p.

Wages Adjusted to Cost of Living

57. Great Britain. Pay Board. London weighting. London, HMSO, 1974. [116]p.

Wages and Hours

58. Canadian Union of Public Employees. Ontario Division. Hospital Inquiry Commission on Employee Wages, Salaries and Benefits; submissions. [Toronto?] 1974. 59p.

Women

59. Thiering, Barbara Elizabeth. Created second? Aspects of women's liberation in Australia. [1st ed.] Sydney, Family Life Movement of Australia [1973] 91p.

Work Satisfaction

60. Goldring, Patrick. Multipurpose man. New York, Taplinger Pub. Co. [1974] 120p.

labour statistics

Principal Items	Date	Amount	Percentage Change from Previous Month	Percentage Change from Previous Year
TOTAL CIVILIAN LABOUR FORCE*		(in thousands)		
Week ended August 17, 1974		10,152	+ 0.1	+ 5.0
Employed	August	9,705	+ 0.3	+ 5.1
Agriculture	"	542	- 4.2	- 2.7
Non-agriculture	"	9,163	+ 0.6	+ 5.6
Paid workers	"	8,626	+ 0.6	+ 5.5
At work 35 hours or more	"	6,971	+ 6.8	+ 4.6
At work less than 35 hours	"	1,186	+ 2.7	+ 4.6
Employed but not at work	"	1,549	- 22.3	+ 7.9
Unemployed	"	447	- 3.9	+ 3.2
Atlantic	"	58	- 9.4	+ 20.8
Quebec	"	159	- 4.2	- 3.0
Ontario	"	140	- 0.7	+ 13.8
Prairie	"	33	–	- 35.3
British Columbia	"	57	- 6.6	+ 21.3
Without work and seeking work	"	425	- 5.3	+ 2.7
On temporary layoff up to 30 days	"	22	+ 37.5	+ 10.0
INDUSTRIAL EMPLOYMENT(1961 = 100)†	May	143.4	+ 2.6	+ 5.4
Manufacturing employment(1961 = 100)†	"	135.4	+ 1.8	+ 4.4
IMMIGRATION	Calendar Yr/73	184,200	–	–
Destined to the labour force	" "	92,228	–	–
STRIKES AND LOCKOUTS				
Strikes and Lockouts	July	236	+ 4.0	+ 72.3
No. of workers involved	"	105,213	- 51.8	+ 41.2
Duration in man days	"	1,092,570	- 47.7	+ 75.2
EARNINGS AND INCOME				
Average weekly wages and salaries(ind. comp.)†	May 1974	175.33	+ 2.1	+ 10.4
Average hourly earnings (mfg.)†	"	4.28	+ 1.9	+ 12.0
Average weekly hours paid†	"	39.0	- 0.5	- 2.0
Consumer price index(1961 = 100)	August	169.6	+ 1.0	+ 10.8
Index numbers of weekly wages in 1961 dollars(1961 = 100)‡	May	134.5	+ 0.4	- 1.3
Total labour income (millions of dollars)†	July	6,232.9	- 1.7	+ 16.8
INDUSTRIAL PRODUCTION†				
Total (average 1961 = 100)	July	220.7	- 0.9	+ 1.8
Manufacturing	"	218.0	- 0.7	+ 2.1
Durables	"	252.4	- 0.1	+ 2.5
Non-durables	"	190.9	- 1.3	+ 1.9
NEW RESIDENTIAL CONSTRUCTION**				
Starts	July	107,111	–	- 6.6
Completions	"	113,512	–	+ 7.1
Under construction	"	166,587	–	- 2.7

*Estimates of the labour force, the employed and the unemployed, are from The Labour Force, a monthly publication of Statistics Canada which in addition, contains the characteristics of the labour force, together with definitions and explanatory notes.
†Advance data.
‡Preliminary.
**Centres of 10,000 population or more.

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Economics and Research Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The first three tables in this section cover strikes and lockouts that amount to 10 or more man-days. The number of workers involved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

STRIKES AND LOCKOUTS, 1969-1974

Month or Year	Strikes and Lockouts in Existence During Month or Year: Strikes and Lockouts Beginning During Month or Year	Strikes and Lockouts	Workers Involved	Duration in Man-Days: Man-Days	Percentage of Estimated Working Time
1969	566	595	306,799	7,751,880	0.46
1970	503	542	261,706	6,539,560	0.39
1971	547	569	239,631	2,866,590	0.16
1972	556	598	706,474	7,753,530	0.43
†1973	674	721	352,237	5,768,790	0.30
†1973:					
July	65	137	74,509	623,580	0.37
August	83	167	106,551	1,246,920	0.68
September	58	165	112,218	700,200	0.48
October	51	145	45,500	491,140	0.29
November	43	115	46,283	358,820	0.21
December	21	83	62,620	307,720	0.21
1974:					
†January	64	110	24,787	271,650	0.16
†February	65	127	43,782	420,340	0.27
†March	75	139	50,014	437,870	0.27
*April	79	151	59,921	619,740	0.38
*May	129	229	94,578	1,365,870	0.78
June	117	227	218,367	2,089,590	1.27
July	118	236	105,213	1,092,570	0.59

* Preliminary. † Revised.

STRIKES AND LOCKOUTS, JUNE, 1974, BY INDUSTRY (PRELIMINARY)

Industry	In Effect During Month: Number Beginning During Month	Strikes and Lockouts	Workers Involved	Man-Days
Forestry	4	5	11,822	83,950
Mines	6	10	6,924	46,570
Manufacturing	68	140	73,292	868,030
Construction	12	16	7,387	47,380
Transpn. & utilities	9	17	2,063	10,450
Trade	9	19	1,800	17,460
Finance	—	2	68	470
Service	8	20	1,478	13,830
Public admin.	2	7	379	4,430
All industries	118	236	105,213	1,092,570

STRIKES AND LOCKOUTS, JUNE, 1974, BY PROVINCE (PRELIMINARY)

Jurisdiction	In Effect During Month: Number Beginning During Month	Strikes and Lockouts	Workers Involved	Man-Days
Newfoundland	9	10	4,359	13,740
Prince Edward Island	2	3	458	1,730
Nova Scotia	5	6	4,072	7,960
New Brunswick	—	1	19	350
Quebec	41	83	17,368	265,970
Ontario	31	67	21,843	345,450
Manitoba	3	6	372	4,520
Saskatchewan	6	8	5,186	28,990
Alberta	3	6	3,324	47,580
British Columbia	12	37	46,734	369,100
Federal	6	9	1,478	7,180
All jurisdictions	118	236	105,213	1,092,570

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY)

Industry Employer Location	Union	Workers Involved	Duration in Man-days July	 Accumulated	Starting Date Termination Date	Major Issues Result
Forestry						
Forest Industrial Relations, Coastal area, B.C.	Woodworkers, various locals (AFL-CIO/CLC)	9,970	72,670	129,730	June 15 July 15	Wages, cost of living escalator clause — Wage increase & cost cost of living escalator clause
Gaspesia Pulp & Paper, Chandler & Gaspé, Qué.	United Paperworkers loc. 129 (AFL-CIO/CLC)	650	8,450	8,450	July 8 July 25	Wages — Settled by mutual agreement.
Interior Forest Labour Relations Association, various locations, B.C.	Woodworkers, various locals (AFL-CIO/CLC)	286	1,290	1,290	July 24 July 30	Wages & fringe benefits — Wage increase
MacMillan Bloedel Cameron & Franklin River, B.C.	Woodworkers, loc. 185 (AFL-CIO/CLC)	900	1,240	1,240	July 26 July 31	Training program — Return of workers pending further discussions
Mines						
METAL MINES						
Texada Mines Ltd. Gilles Bay, B.C.	Teamsters, loc. 213 Labourers loc 168 (Operating Engineers loc 115 (AFL-CIO/CLC)	150	150	2,940	June 5 July 2	Wages, fringe benefits —
Campbell Chibougamau Mines Ltd., Chibougamau, Qué.	Steelworkers, loc 5186 (AFL-CIO/CLC)	557	12,330	13,820	June 27 July 29	Wages — Settled by mutual agreement
Cominco Ltd. Salmo & Kimberly	Steelworkers, loc 901 & 651	1,103	24,810	24,810	July 1	Wages, cost of living escalator clause
Cominco Ltd. Kimberly, B.C.	Assoc. of Commercial & Technical Employees loc. 1672 (CLC directly chartered)	130	2,880	2,880	July 1	Wages, cost-of-living escalator clause, fringe benefits —
Les Mines Patino du Qué., Chibougamau, Qué.	Steelworkers, loc. 5914 (AFL-CIO/CLC)	618	8,830	8,830	July 2 July 22	Wages, cost of Living adjustment — Settled by mutual agreement
Iron Ore of Canada Labrador City, Nfld.	Steelworkers, loc 5795 (AFL-CIO/CLC)	2,700	1,350	1,350	July 30 July 30	Not reported — not reported
MINERAL FUELS						
Union Gas Ltd. Various Locations, Southwestern, Ont.	Oil Workers locs. 9-810 & 798, Chemical Workers loc 683 (AFL-CIO/CLC)	1,109	17,740	129,200	Feb. 6 July 24	Wages, pensions, vacations — Settled through mediation; wage increases & cost-of-living adjustment clause.
Cardinal River Coals Hinton, Alta.	Mine Workers loc. 1656 (CLC)	200	4,330	11,910	May 4	Fringe benefits —
Kaiser Resources Ltd Sparwood, B.C.	Mine Workers loc 7292 (CLC)	1,500	1,500	1,500	July 31	Various grievance —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONT.)

Industry Employer Location	Union	Workers Involved	Duration in Man-days July	Duration in Man-days Accumulated	Starting Date Termination Date	Major Issues Result
Manufacturing						
FOOD & BEVERAGES						
Burns Foods Ltd. Swift Canadian Co. Ltd., Canada Packers Ltd., Edmonton & Calgary, Alta.	Food Workers locs. 233, 280 & 243, (AFL-CIO/CLC)	2,713	37,980	86,080	June 5 July 22	Wages, employees locked out – Settled through mediation.
Galco Food Products Ltd., Toronto, Ont.	Food Workers loc P1105 (AFL-CIO/CLC)	114	2,510	2,850	June 26	Wages –
Hiram Walker & Sons Ltd., Winfield, B.C.	Distillery Workers loc 202 (AFL-CIO/CLC)	125	2,000	2,250	June 27 July 24	Contract issues – Return of workers
Hiram Walker & Sons Ltd., Windsor, Ont.	Can. Union of Distillery Workers loc 1	800	17,600	17,600	July 2	Lag in contract talks –
Fishery Products Port-au-Choix, Nfld.	Food Workers loc 465 (AFL-CIO/CLC)	270	3,510	3,510	July 2 July 19	Not reported – not reported
Walter Lowney Co. Ltd., Sherbrooke, Qué.	Bakery Workers loc. 476 (AFL-CIO/CLC)	650	13,650	13,650	July 3	Wages –
Pêcheurs-unis du Qué. Rivière-au-Renard, Qué.	Commerce Fédération (CNTU)	150	2,250	2,250	July 3 July 24	Cost of living adjustment – Settled by mutual agreement
Quaker Oats Co. of Canada Ltd., Trenton Ont.	Food Workers loc. P1172 (AFL-CIO/CLC)	195	3,710	3,710	July 5	Wages, cost-of-living clause
Christie Brown & Co. Ltd., Montreal, Qué.	Bakery Workers loc. 333 (AFL-CIO/CLC)	500	2,000	2,000	July 9 July 15	Cost-of-living adjustment Lockout after slowdowns –
Dairy Producers Cooperative Ltd. Saskatoon, Sask.	Teamsters loc. 139 (Ind.)	210	3,570	3,570	July 9	Wages –
Dairy Producers Cooperative Ltd. Regina, Sask.	Teamsters loc. 834	142	140	140	July 15 July 16	Respecting picket lines – Return after one day
National Sea Product Port-au-Choix, Nfld.	Food Workers loc. 1252 (AFL-CIO/CLC)	400	400	400	July 16 July 17	Protest firing – Not reported
Pêcheurs-Unis, Newport, Qué.	Commerce Fédération (CNTU)	195	980	980	July 17 July 24	Wages – Settled by mutual agreement.
Christie Brown & Co. Ltd. Montreal, Qué.	Bakery Workers loc. 333 (AFL-CIO/CLC)	450	2,250	2,250	July 25	Cost-of-living adjustment –
Fishery Products Port-au-Choix, Nfld.	Food Workers loc. 465 (AFL-CIO/CLC)	270	1,350	1,350	July 25	Not reported –
Biscuit David Montréal, Qué.	Commerce Fédération (CNTU)	520	1,560	1,560	July 29	Wages –

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONT.)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-days: July	Duration in Man-days: Accumulated	Starting Date / Termination Date	Major Issues / Result
RUBBER						
Firestone Tire & Rubber Co. Ltd. Hamilton, Ont.	Rubber Workers loc. 133 (AFL-CIO/CLC)	1,200	26,400	128,400	Feb. 28	Wages & fringe benefits –
Goodyear Tire & Rubber Co. of Canada Ltd. Toronto, Ont. Bowmanville, Ont.	Rubber Workers locs. 189 & 232 (AFL-CIO/CLC)	2,150	47,610	150,400	Apr. 25	Wages, cost-of-living clause –
Protective Plastic Co. Ltd. Scarborough, Ont.	Machinists loc. 1257 (AFL-CIO/CLC)	116	1,740	1,740	June 10 July 2	Wages, cost-of-living allowance – not reported
Union Carbide of Canada (Plastic Products Division) Lindsay, Ont.	Graphic Communications Union loc. 512 (AFL-CIO/CLC)	400	8,860	11,720	June 21	Wages & fringe benefits –
Co. Firestone Joliette, Qué.	Rubber Workers (AFL-CIO/CLC)	345	4,310	4,310	July 4 July 21	Wages, suspension of 15 employees, cost-of-living adjustment – Return of workers
Firestone Tire & Rubber Co. of Canada Ltd., Calgary, Alta.	Rubber Workers loc. 635 (AFL-CIO/CLC)	240	2,760	2,760	July 4 July 21	Wages, cost-of-living adjustment – Return to work under court order
Rubbermaid (Canada) Ltd., Mississauga, Ont.	Auto Workers loc. 252 (CLC)	250	1,500	1,500	July 8 July 16	Wages – Return of workers ordered by union
Goodyear Québec, Qué.	Rubber Workers loc. 483 (AFL-CIO/CLC)	200	3,600	3,600	July 8	Cost-of-living adjustment –
Uniroyal Ltd. Kitchener, Ont.	Rubber Workers loc. 80 (AFL-CIO/CLC)	1,235	2,470	2,470	July 11 July 15	Wages & fringe benefits – Return of workers
Rubbermaid (Canada) Ltd., Mississauga, Ont.	Auto Workers loc. 252 (CLC)	250	1,880	1,880	July 22	Wages –
TEXTILES						
Celanese Canada Ltée. Coaticook, Qué.	CSD	230	5,090	12,980	May 13	Wages & other questions, work schedule –
Consolidated Textiles Ltd., Alexandria, Ont.	Textile Workers Union loc. 1664 (AFL-CIO/CLC)	200	4,400	7,330	June 10	Slowness in negociations, wages
KNITTING MILLS						
Penmans Ltd. St-Hyacinthe, Qué.	Textile Federation (CNTU)	330	7,260	13,860	May 31	Wages –
CLOTHING						
Edmont Canada Ltd. Cowansville, Qué.	Rubber Workers loc. 821 (AFL-CIO/CLC)	170	3,760	6,670	June 7	Cost-of-living escalator clause –
WOOD						
Canadian Forest Products, Huntting Merritt, B.C.	Woodworkers loc. 1-217 (AFL-CIO/CLC)	200	4,400	94,800	Sept 13	Hours of work, elimination of piece work – rates of pay

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONT.)

Industry Employer Location	Union	Workers Involved	Duration in Man-days July	Duration in Man-days Accumulated	Starting Date Termination Date	Major Issues Result
Eurocan Pulp & Paper Co. Ltd., Kitimat, B.C.	United Paperworkers loc. 1127 & 298 (AFL-CIO/CLC)	105	2,330	6,190	May 10	Schedule –
Forest Industrial Relations, Coastal Area, B.C.	Woodworkers various locals (AFL-CIO/CLC)	5,595	40,820	72,910	June 15 July 15	Wages, cost-of-living escalator clause – Wage increase & cost-of-living escalator
Koppers International Canada Ltd., Burnaby B.C.	Woodworkers loc. 1-357 (AFL-CIO/CLC)	140	2,660	3,990	June 17 July 29	Grievance – Settled by mutual agreement
Interior Forest Labour Relations Association, Various locations, B.C.	Woodworkers various locals (AFL-CIO/CLC)	7,622	55,400	55,730	June 28 July 30	Wages & fringe benefits – Wage increase
Rexwood Products Ltd. New Liskeard, Ont.	Carpenters loc. 2995 (AFL-CIO/CLC)	112	2,340	2,340	July 3	Wages & fringe benefits
Canadian Cellulose Co. Ltd., Castlegar, B.C.	Woodworkers loc. 1-405 (AFL-CIO/CLC)	420	1,260	1,260	July 22 July 29	Wages & fringe benefits – Wage increase
North Central Plywood, Prince George, B.C.	Pulp & Paper Workers of Canada loc. 25 (CCU)	240	1,920	1,920	July 22	Dispute over training program, suspension of an employee –
FURNITURE AND FIXTURES						
Matelas Supreme Inc. Saint-Narcisse, Qué.	Building and Wood Workers Federation (CNTU)	110	2,420	15,730	Jan. 8	Wages & working conditions –
PAPER						
Consolidated Bathurst Packaging Ltd., Hamilton, Ont.	Woodworkers loc. 2-69 (AFL-CIO/CLC)	220	1,980	9,460	May 10 July 15	Wages, incentive bonus & vacations – Settled through mediation
Consolidated Bathurst Packaging Ltd., Whitby, Ont.	Woodworkers loc. 242 (AFL-CIO/CLC)	224	2,240	9,920	May 11 July 16	Wages, cost-of-living adjustment – Settled by mutual agreement
Consolidated Bathurst Packaging Ltd., St Thomas, Ont.	Woodworkers loc. 2-337 (AFL-CIO/CLC)	135	2,970	7,600	May 11	Wages, fringe benefits –
Matériaux de Construction Domtar Ltée. Lasalle, Qué.	United Paperworkers loc. 658 (AFL-CIO/CLC)	325	7,150	16,900	May 28	Not reported –
Consolidated Bathurst Packaging Ltd., Montréal, Qué.	Woodworkers loc. 2-279 (AFL-CIO/CLC)	370	8,140	15,170	June 3	Wages & fringe benefits –
Tahsis Company Gold River Pulp Mill Gold River, B.C.	Pulp & Paper Workers of Canada, loc. 11 (CCU)	378	8,370	15,660	June 3	Not reported –
Papeterie Canadienne Joliette, Qué.	Communications Federation (CNTU)	180	3,780	3,780	July 3	Wages & fringe benefits –

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONT.)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-days: July	Duration in Man-days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Prince Albert Pulp Co., Prince Albert, Sask.	United Paperworkers loc. 1120 (AFL-CIO/CLC)	365	2,190	2,190	July 6 July 16	Disciplinary action against one employee — Return of workers under injunction
Pulp & Paper Industrial Relations Bureau Various Locations, B.C.	United Paperworkers and Pulp, Paper and Woodworkers of Canada	12,000	42,860	42,860	July 10 July 15	Wages & cost-of-living escalator clause — Wage increase
Ontario-Minnesota Pulp & Paper Co. Ltd., Fort Frances, Ont.	United Paperworkers, Machinists & IBEW (AFL-CIO/CLC)	780	10,590	10,590	July 11 July 30	Hiring of independent contractor — Settled by mutual agreement
Domtar Packaging Ltd. Winnipeg, Man.	Printing & Graphic Communications Union loc. 537 (AFL-CIO/CLC)	110	880	880	July 15 July 25	Wages — Settled through conciliation
Bowaters Mersey Paper Co. Ltd., Brooklyn, N.S.	United Paperworkers loc. 141 (AFL-CIO/CLC)	600	600	600	July 24 July 25	Cost-of-living adjustment — Return of workers under cease and desist order
PRIMARY METAL						
Québec Iron Foundries Ltd., Mont-Joli, Qué.	Steelworkers loc. 6506 (AFL-CIO/CLC)	146	3,230	7,820	May 18	Wages, safety —
Fonderie Sainte-Croix Saint-Jean. Qué.	Steelworkers locs. 7016-2 & 6490 (AFL-CIO/CLC)	116	2,550	5,740	May 21	Wages, contract term & other issues —
Noranda Metal Industries Ltd., Annacis Island, B.C.	Can. Assoc. of Industrial Mechanical Workers loc. 4 (CCU)	208	4,580	8,740	June 1	Wages, cost-of-living clause —
Cominco Ltd. Trail, B.C.	Steelworkers loc. 480 AFL-CIO/CLC)	2,800	62,000	62,000	July 1	Wages, cost-of-living clause, seniority rights, job evaluation —
Cominco Ltd. Trail, B.C.	Assoc. of Commercial & technical Employees loc. 1705 (CLC directly charted)	485	10,740	10,740	July 1	Wages, cost-of-living clause, seniority rights, job evaluation
Interprovincial Steel & Pipe Corp. Ltd. Regina, Sask.	Steelworkers loc. 5890 (AFL-CIO/CLC)	120	1,630	1,630	July 5 July 24	Wages — Not reported
Alcan Products (Canada) Ltd., Kingston, Ont.	Steelworkers loc. 343 & Machinists loc. 54 (AFL-CIO/CLC)	1,300	10,400	10,400	July 22	Wages, cost-of-living escalator clause —
Sydney Steel Corp. Sydney, N.S.	Steelworkers loc. 1064 AFL-CIO/CLC)	3,200	3,200	3,200	July 23 July 24	Wages & fringe benefits — Settled by mutual agreement

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONT.)

Industry Employer Location	Union	Workers Involved	Duration in Man-days July	 Accumulated	Starting Date Termination Date	Major Issues Result
METAL FABRICATING						
Hawker Siddeley Industries, Windsor, Ont.	Steelworkers loc. 2471 (AFL-CIO/CLC)	170	2,210	10,880	Apr. 18 July 19	Not reported — Not reported
Accessories Manufacturers Ltd., Saint-Rémi, Qué.	Steelworkers loc. 7625 (AFL-CIO/CLC)	107	2,350	4,490	May 31	Wages & fringe benefits —
York Division Saint-Jérôme, Qué.	Steelworkers loc. 6333 (AFL-CIO/CLC)	156	3,430	5,770	June 7	Cost-of-living escalator clause —
Stanley Works of Can. Ltd., Roxton Pond, Qué.	Machinists loc. 909 (AFL-CIO/CLC)	258	5,680	7,620	June 18	Cost-of-living escalator clause —
Héroux Ltée. Longueuil, Qué.	CSD	425	5,530	5,530	July 15	Wages & fringe benefits —
Stanley Door Systems Ltd., Wingham, Ont.	Teamsters loc. 879 (Ind.)	100	300	300	July 29	Wages —
MACHINERY						
Gould Manufacturing Ltd., St. Thomas, Ont.	Machinists loc. 1975 (AFL-CIO/CLC)	370	8,140	15,910	May 31	Wages, cost-of-living adjustment
Phoenix Steel Saint-Paul l'Ermite, Qué.	Sheet Metal Workers loc. 116 (AFL-CIO/CLC)	140	3,080	5,880	May 31	Wages, fringe benefits —
Hill Refrigeration of Canada, Barrie, Ont.	Steelworkers loc. 6547 (AFL-CIO/CLC)	160	3,520	4,240	June 24	Cost-of-living adjustment —
Ideal Vendors Deseronto, Ont.	Steelworkers (AFL-CIO/CLC)	145	220	220	July 5 July 9	Compulsory overtime & wages — Settled by mutual agreement
Sangamo Co. Ltd. Trois-Rivières, Qué.	Machinists loc. 1865 (AFL-CIO/CLC)	185	2,410	2,410	July 15	Not reported —
Miehle-Goss — Dexter Americas Co., Cambridge, Ont.	Steelworkers loc. 2890 (AFL-CIO/CLC)	133	1,330	1,330	July 18	Wages —
TRANSPORTATION EQUIPMENT						
United Aircraft of Canada Ltd., Longueuil, Qué.	Auto Workers loc 510 (CLC)	2,600	57,200	374,400	Jan. 7	Against company's refusal to reinstate 21 suspended workers, Wages —
Welles Corp. Ltd. Windsor, Ont.	Auto Workers loc. 195 (CLC)	160		10,880	May 24 July 2	Wages — Settled by mutual agreement
National Auto Radiator Windsor, Ont.	Auto Workers loc. 195 (CLC)	400		7,600	Apr. 29 July 2	Wages — Not Reported
Hayes Dana Ltd. Thorold & St. Catharines, Ont.	Auto Workers loc. 676 (CLC)	1,600	19,200	41,200	June 1 July 18	Wages & fringe benefits — Wage increase, cost-of-living escalator clause
Heatex LaSalle, Qué.	CNTU	320	7,040	12,000	June 6	Fringe benefits —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONT.)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-days: July	Duration in Man-days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Industrie L'Islet Inc. L'Isletville, Qué.	CSD	285	6,270	10,550	June 7	Wages –
Volvo Canada Ltd. Halifax, N.S.	Auto Workers loc. 720 (CLC)	195	4,070	5,180	June 21	Wages –
International Harvester Co. of Canada Ltd. Chatham, Ont.	Auto workers loc. 127 (CLC)	1,350	28,350	28,350	July 3	Cost-of-living formula, wages, voluntary overtime –
Bendix-Eclipse Ltd. Windsor, Ont.	Auto Workers loc. 195 (CLC)	600	12,300	12,300	July 3	Contract clauses –
Commodore Mobile Homes Saint-Jean, Qué.	United Textile Workers loc. 490 (AFL-CIO/CLC)	121	2,300	2,300	July 5	Cost-of-living adjustment –
North American Rockwell of Can. Ltd. Chatham, Ont.	Auto Workers loc. 127 (CLC)	700	2,100	2,100	July 22 July 24	Wages for lost day – Return of workers pending discussions
ELECTRICAL PRODUCTS						
Inglis Ltd., Toronto, Ont.	Steelworkers locs. 2900 & 4487 (AFL-CIO/CLC)	970	21,340	79,540	Apr. 5	Wages, fringe benefits
Emerson Electrical Motor Div. Can. Ltd.	U.E. loc. 522 (CLC)	245	5,390	10,290	June 1	Wages, fringe benefits, compulsory overtime –
Sperry Gyroscope Sperry Rand Can. Ltd. Ottawa, Ont.	Auto Workers loc. 641 (CLC)	150	3,300	4,800	June 17	Wages, cost-of-living escalator clause
ASEA Ind. Ltée Sainte-Julie de Verchères, Qué.	CLC directly chartered loc. 1677	153	2,980	2,980	July 4	Wages & voluntary overtime –
Chromalox Canadian Co. Ltd., Rexdale, Ont.	Auto Workers loc. 252 (CLC)	575	10,350	10,350	July 6	Wages –
NON-METALLIC MINERAL PRODUCTS						
3M Canada Ltd. London, Ont.	Auto Workers loc. 27 (CLC)	416	3,740	16,430	May 16 July 15	Wages & fringe benefits – Settled by mutual agreement
Westroc Industries Ltd. Clarkson, Ont.	Cement Workers loc. 366 (AFL-CIO/CLC)	146	580	4,160	May 27 July 8	Wages & fringe benefits – Settled through mediation
19 Concrete Firms Various locations, B.C.	Teamsters loc. 213 (Ind.)	450	9,900	12,600	June 21	Wages & fringe benefits –
Ciment Indépendant Inc., Montréal, Qué.	Int. Operating Engineers loc. 791-B (AFL-CIO/CLC)	300	6,600	6,900	June 17	Wages & fringe benefits –
General Abrasive (Canada) Ltd., Niagara Falls, Ont.	Chemical Workers loc. 420 (AFL-CIO/CLC)	162	1,300	1,300	July 20	Cost-of-living adjustment –

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONT.)

Industry Employer Location	Union	Workers Involved	Duration in Man-days July	 Accumulated	Starting Date Termination Date	Major Issues Result
Dominion Galss Co. Hamilton, Ont.	United Glass Workers loc. 203 (AFL-CIO/CLC)	750	2,250	2,250	July 28	Firing of 19 employees –
Canadian Refactories Marelan & Kilmar, Qué.	Steelworkers loc. 6213 (AFL-CIO/CLC)	510	1,530	1,530	July 29	Wages –
CHEMICAL PRODUCTS						
Uniroyal Ltd. (Chemical Div.) Elmira Ont.	Steelworkers loc. 13691 (AFL-CIO/CLC)	165	3,650	7,780	May 26	Wages & fringe benefits –
B.F. Goodrich Canada Ltd., Shawinigan, Qué.	Steelworkers Federation (CNTU)	170	2,060	2,060	July 8 July 25	Wages – Wage increase
Monsanto Canada Ltd. Lasalle, Qué.	Oil Workers loc. 9-762 (AFL-CIO/CLC)	186	2,790	2,790	July 10	Wages, cost-of-living index
Johnson & Johnson Montreal, Qué.	United Textile Workers loc. 450 (AFL-CIO/CLC)	650	9,750	9,750	July 11	Cost-of-living escalator clause
Simplot Chemical Co. Ltd., Brandon, Man.	Steelworkers loc. 7184 (AFL-CIO/CLC)	120	1,200	1,200	July 13 July 27	Wages – Settled through conciliation
Canadian Titanium Pigments, Varennes, Qué.	Steelworkers Federation (CNTU)	180	1,800	1,800	July 18	Cost-of-living adjustment –
Construction						
Plastering Association of Toronto, Toronto Ont.	Plasterers loc. 48 (AFL-CIO/CLC)	250	5,500	50,000	Oct. 17 1973	Not reported –
Sask. Const. Ass. Various locations, Sask.	Various Unions	4,200	21,000	269,600	Apr. 1 July 9	Wages – Dispute settled
Const. Labour Relations Assoc., Lower Mainland B.C.	I.B.E.W. loc. 213 (AFL-CIO/CLC)	1,200	6,000	56,400	May 1 July 9	Wages, fringe benefits, work week, cost-of-living clause – Return of workers when a 2 yr. agreement was reached
Newfoundland & Labrador Const. St. John's, Nfld.	Structural Iron Workers loc. 764 (AFL-CIO/CLC)	525	6,830	6,830	July 2 July 19	Not reported – not reported
Several Contractors Charlottetown area, P.E.I.	Labourers loc. 1079A (AFL-CIO/CLC)	200	800	800	July 5 July 11	Wages – Resumption of negociations
Three Elevator Firms Montreal & Quebec, Qué	Elevator Constructors loc. 89 (AFL-CIO/CLC)	200	3,000	3,000	July 11	Protesting gov. decree –
*Aishihik Constructors Whitehorse, Yukon	IBEW loc. 344 (AFL-CIO/CLC)	290	2,070	2,070	July 22	Use of non union company –
Const. Assoc. of PEI Various locations, P. E. I.	Labourers loc. 1079 (AFL-CIO/CLC)	250	750	750	July 29	Wages –

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1974, (PRELIMINARY) (CONCLD.)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-days: July	Duration in Man-days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Transportation and Utilities						
TRANSPORTATION						
CTCUM/MUCTC Montréal, Qué.	Brotherhood of Bus. & Metro Drivers	150	150	150	July 1 July 2	Cost-of-living adjustment – Return of workers
*Air Canada Winnipeg, Man.	Can. Air Line Employees (CLC)	600	300	300	July 4 July 4	Job classification – Return of workers
*Canadian National Railways, Montréal, Qué.	Railway, Trans. & General Workers loc. 334 (CLC)	150	150	150	July 24 July 25	Union's failure to apply for cost-of-living bonus – Return to work after 24 hours
*Western Terminals Ltd Corner Brook, Nfld.	Railway Clerks loc. 267 (AFL-CIO/CLC)	100	200	200	July 30	Cost-of-living adjustment –
POWER, GAS & WATER						
Sanitary Refuse Collectors, 29 Montréal municipalities, Qué.	Teamsters loc. 106 (Ind.)	282	560	560	July 12 July 16	Wages – Settlement reached
Trade						
Darrigo's Food Markets Toronto, Ont.	Food Workers locals, 175, 633 (AFL-CIO/CLC)	217	4,700	4,700	May 1	Wages & fringe benefits –
Ferronnerie Côté Boivin, Chicoutimi, Qué.	CNTU	100	2,200	4,100	June 3	Wages –
Assoc. des détaillants en alimentation/Food Retailers Assoc., Montréal, Qué.	Commerce Federation (CNTU)	1,150	7,390	7,390	July 4 July 15	Wages – Wage increase
SERVICE						
EDUCATION						
Board of Education (City of Toronto) Toronto, Ont.	Various trade unions	403	2,420	2,420	July 24	Wage & fringe benefits –
HEALTH & WELFARE						
Norfolk General Hosp. Simcoe, Ont.	Service Employees loc. 220 (AFL-CIO/CLC)	210	1,500	1,500	July 22	Wages –
SERVICES TO BUSINESS						
Eight Contractors Lower Mainland, B.C.	Service Employees loc. 244 (AFL-CIO/CLC)	200	200	200	July 10 July 11	New contract – Return of worker under union orders
*Atomic Energy of Can. Ltd., South March, Ont.	CLC directly chartered loc. 154	150	450	450	July 15 July 18	Seniority – Return after agreement on procedure to settle dispute

* Federal Jurisdiction

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Industrial Relations Research in Canada (annual). An inventory of industrial relations research undertaken by the Department, other government departments, academic institutions and private individuals. Free. Cat. No. L2-29/1973.

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Strikes and Lockouts in Canada (annual). Furnishes a record of strikes and lockouts occurring in Canada during a year. Tables and related texts show strikes and lockouts by years, by areas, by industries, including time lost, number of workers involved, duration, etc. Price 75 cents. Cat. No. L2-1/1971.

Wage Rates, Salaries and Hours of Labour, 1973. An annual report in four volumes containing the results of an annual survey conducted at October 1 of occupational wage rates and standard hours of work in selected industries throughout Canada. Two volumes are published during December in preliminary form; Volume 1 covers salaries and wage rates of office, maintenance and service occupations in major communities; Volume 2 presents information on wage rates and hours of work for production and maintenance occupations in most industries. A final version, in two corresponding volumes, follows several months later. Price of the four-volume report: $7.50; individual volumes, $2.50. (Bilingual) Cat. No. L2-556.

Working Conditions in Canadian Industry, 1972. (Bilingual). Price $2.00. Cat. No. L2-15/1972.

Measuring the Quality of Working Life. Proceedings of a symposium on social indicators of working life. Ottawa, March 19 and 20, 1973. Edited by Alan H. Portigal. Price $4.00. Cat. No. L41-13/1974.

Productivity, Costs and Prices. An examination of trends in selected manufacturing industries, by Allan A. Porter. 1973. Occasional Paper No. 7. Price $3.75. Cat. No. L41-1173.

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Workmen's Compensation in Canada. Deals with compensation for employment injury, the basic principles underlying the system, and coverage of the provincial Acts as of December 31, 1967. (Information on changes in workmen's compensation laws is published yearly and is available free on request). 1969. (English or French). Price $1.00. Cat. No. L34-1969.

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